



UNIVERSITY OF GOTHENBURG

# CSR communication and Millennials

A study of the most appropriate ways to communicate CSR to young consumers in Sweden

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## ABSTRACT

The focus of this thesis lies on consumer oriented corporate social responsibility (CSR) communication and Millennials (consumers born after 1980). The study aims at providing the answer to the research question: ‘How should companies communicate their CSR engagement to Millennials in Sweden in the most appropriate way?’ Sweden presents an interesting case, because it has one of the highest levels of CSR activists (Dawkins, 2004) and in 2009 there were 2.41 million Millennials in the country (Statistics Sweden, 2010). Millennials are said to be especially concerned with CSR, therefore it is important for companies to be able to reach them with CSR information. However, CSR communication is a challenging task, because although consumers want to be informed about a company’s good deeds, their initial reaction towards CSR messages is usually skepticism. Therefore the purpose of this thesis is to identify the most appropriate ways for companies to reach Millennials in Sweden with CSR communication and to discuss the possible implications of the results within wider context of CSR communication.

An Internet-based survey was conducted among 111 participants. An assumption has been made that the choice of preferred channels for receiving CSR communication is influenced by consumers’ general opinion towards CSR. Therefore the respondents were asked to answer some questions in relation to their general opinion about CSR and to indicate the most preferred channels for receiving CSR information.

According to the results of the study, the most preferred channels for receiving CSR information among Millennials in Sweden were the special sector on a company’s website, the product packaging and labels and formal third parties such as certification agencies and NGOs. Therefore it is very important for companies in Sweden to focus on their CSR communication on the corporate websites; however, they should consider a creative use of offline information mediums such as packaging and labels as well.

Companies could increase the effectiveness of their CSR communication targeted at Millennials by reassuring consistency, truthfulness, authenticity, representativeness and transparency of CSR communication, adapting the content of CSR messages to informational needs of Millennials, providing them with a balanced view of the company’s CSR engagement, acknowledging business interest in their CSR initiatives and at the same time stressing benefits for the society and environment, showing willingness to engage in a dialogue and providing third parties’ verification of their CSR messages.

**Keywords:** CSR communication, Millennials, opinion about CSR, Sweden, young consumers

# TABLE OF CONTENTS

1	INTRODUCTION.....	1
1.1	Problem area .....	1
1.2	Problem discussion .....	2
1.3	Purpose.....	3
1.4	Research question .....	3
1.5	Expected research contribution.....	3
1.6	Outline of the thesis .....	4
2	THEORETICAL BACKGROUND .....	5
2.1	Defining CSR communication.....	5
2.1.1	CSR definition.....	5
2.1.2	Communication definition.....	5
2.1.3	CSR communication definition .....	6
2.2	Main perspectives and theories within CSR field.....	8
2.3	Motivations of companies to engage in CSR.....	9
2.3.1	Legitimacy claims .....	9
2.3.2	Positive consumer reactions .....	10
2.4	Importance of consumer awareness of a company's CSR efforts.....	11
2.5	Challenges of CSR communication .....	12
2.6	CSR communication strategies .....	13
2.7	CSR in Sweden .....	14
2.8	CSR communication channels .....	15
2.8.1	An overview of CSR communication channels.....	15
2.8.2	Perceived credibility of CSR communication channels .....	16
2.8.3	Choosing the right channel.....	17
2.8.4	CSR reports .....	18
2.8.5	Internet .....	18
2.8.6	CSR ads .....	20
2.9	Millennial generation.....	21
2.10	Summary of the theoretical background.....	23
3	METHODOLOGY.....	25
3.1	Research philosophy .....	25
3.2	Research approach .....	26
3.3	Research type.....	27
3.4	Quantitative vs. qualitative research methods.....	27
3.5	Research method and strategy .....	28
3.6	Data collection .....	30
3.6.1	Primary and secondary data.....	30
3.6.2	Questionnaire .....	30
3.6.3	Sampling method.....	31
3.7	Data analysis and presentation.....	33

3.8	Credibility of research findings .....	33
3.8.1	Validity.....	33
3.8.2	Reliability .....	34
3.8.3	Generalizability .....	34
4	RESULTS: EMPIRICAL DATA DESCRIPTION .....	35
4.1	Demographic data .....	35
4.2	Respondents' opinion about CSR .....	35
4.3	Preferred channels for receiving CSR information.....	39
5	ANALYSIS OF THE RESULTS.....	44
5.1	Analysis of respondents' opinion about CSR .....	44
5.1.1	Do companies have an obligation to be socially responsible?.....	44
5.1.2	Who should decide about CSR issues worth addressing? .....	47
5.1.3	How should companies communicate CSR?.....	48
5.1.4	CSR communication in Sweden.....	51
5.1.5	Demand for CSR information .....	51
5.1.6	The role of third parties in CSR communication.....	52
5.1.7	Perceived importance of being able to participate in a company's CSR efforts.....	53
5.1.8	Perceived importance of a dialogue with a company about CSR.....	53
5.1.9	Perceived importance of a congruence between a CSR issue and a company's core business .....	54
5.1.10	A short summary of the respondents' general opinion about CSR.....	55
5.2	Analysis of the preferred channels for receiving CSR information.....	55
5.2.1	An overview of the most preferred CSR communication channels.....	55
5.2.2	Preferred degree of CSR communication and the choice of channels.....	56
5.2.3	The importance of a dialogue with a company and the choice of channels.....	58
5.2.4	Undesired CSR communication channels .....	58
5.2.5	A short summary of the analysis of the most preferred CSR communication channels .....	59
6	CONCLUSIONS.....	61
6.1	The answer to the research question .....	61
6.2	Contributions and limitations of the research .....	62
6.3	Suggestions for future research.....	63
	REFERENCES .....	64
	APPENDIX A: 'THE QUESTIONNAIRE' .....	73
	APPENDIX B: TABLES AND GRAPHS .....	77

## TABLES AND FIGURES

Table 1: Consumer oriented CSR communication (Schrader, Hansen & Halbes, 2006 p. 5) ...	8
Table 2: Age distribution of the respondents .....	77
Figure 1: CSR communication (Podnar, 2008 p.76).....	7
Figure 2: Companies' obligation to be socially responsible .....	36
Figure 3: Preferable degree of CSR communication .....	37
Figure 4: The level of skepticism towards CSR information .....	38
Figure 5: CSR information demand.....	39
Figure 6: Most preferred CSR communication channels.....	40
Figure 7: Undesired CSR communication channels .....	41
Figure 8: Length of living in Sweden .....	77
Figure 9: Respondents' knowledge of Swedish .....	78
Figure 10: Responsibility to decide on CSR issues to address .....	78
Figure 11: Opinion about CSR communication in Sweden.....	79
Figure 12: Intentional search for CSR information .....	79
Figure 13: Importance of a third party's confirmation of CSR messages .....	80
Figure 14: Importance of participation in a company's CSR efforts .....	80
Figure 15: Importance of the dialogue with a company .....	81
Figure 16: Importance of the congruence between CSR issue and business nature.....	81
Figure 17: Preferred CSR communication channels according to the preferred degree of CSR comm.....	82
Figure 18: Preferred CSR communication channels according to the search of CSR information.....	82
Figure 19: The choice of CSR communication channels according to a gender .....	83

# 1 INTRODUCTION

*In this chapter the problem of the thesis is presented together with its wider background. The purpose, research questions, delimitations and perspectives are presented as well together with a discussion of expected research contribution.*

## 1.1 Problem area

Nowadays companies all over the world face pressure to engage in corporate social responsibility (CSR), which World Business Council for Sustainable Development defines as ‘business’ commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life’ (WBCSD, 2003).

In return, CSR efforts are claimed to provide companies with some certain benefits such as increased consumer and staff loyalty, trust, enhanced company reputation, brand differentiation, closer consumer-company identification (McWilliams & Siegel, 2001; Bhattacharya & Sen, 2003; Dawkins, 2004; Curras-Perez, Bigne-Alcaniz & Alvarado-Herrera, 2009), attraction of more talented employees, improved quality and productivity (Idowu & Towler, 2004), competitive edge, positive corporate image as well as keeping out new entrants and avoiding penalties for unethical behavior (Jahdi & Acikdilli, 2009), provided that the stakeholders are aware of the company’s CSR initiatives (McWilliams & Siegel, 2001; Du, Bhattacharya & Sen, 2010).

Although general public is rarely a primary target audience for a company’s CSR communication, there is a public interest in receiving such information (Dawkins, 2004). Lewis (2001) claims that consumers increasingly want to know about the companies that are behind the brands and products and to use their purchase power to reward ‘good’ companies and punish ‘bad’ ones. Cone Inc. (2007) found that 88 percent of Americans wanted to get more information from companies about their support for social causes. In Sweden, 95 percent thought that companies should communicate their good deeds (Apéria, Bronn & Schultz, 2004).

Lewis (2003), however, points out that although many companies are committed to fulfilling their social responsibilities, they fail to communicate their commitment actively enough to convey it. Dawkins (2004 p. 108) states that communication ‘often remains the missing link in the practice of corporate responsibility’.

Moreover, some researchers claim that although consumers want to get information about a company’s CSR efforts, they are generally skeptical towards CSR messages (Arvidsson, 2010) mainly because they are skeptical about companies’ true motivation to engage in CSR (Vanhamme & Grobben, 2009). Increased skepticism inhibits CSR communication

effectiveness and presents companies with a challenge to communicate their CSR engagement in a credible way.

## **1.2 Problem discussion**

One particular group of consumers is identified in the marketing literature as being ‘the drive’ behind increased importance of CSR - young consumers (born 1980-2000), also called Millennials. Millennials are considered to be the most civic-minded generation since World War II. They believe they can make a difference in the world and expect others to do the same. Thus, Millennials are more likely to trust socially responsible companies, to seek their employment and to buy or recommend their products and services (Cone Inc, 2006). According to Statistics Sweden (2010) in 2009 there were 2.41 million Millennials in Sweden, from which 1.44 million were over 18 years old. According to Cone Inc. (2006), 69 percent of Millennials consider a company’s social and environmental commitment when deciding where to shop. Thus, Millennials in Sweden constitute a big market segment for socially responsible companies, but in order to reach them companies are challenged to successfully communicate their CSR engagement.

Sweden presents an interesting case, because, according to MORI’s research, it has one of the highest levels of CSR activists (Dawkins, 2004). In addition, Morsing and Schultz (2006) state that half of the Scandinavian population thinks that companies should communicate about their social engagement openly and broadly via advertising and public relations while the other half expects companies either to communicate in a subtle way or not to communicate about their social responsibility at all. Once again, this presents corporate communicators in Scandinavia with a challenge of what CSR information and through which channels to communicate.

Pomeroy and Dolnicar (2009 p. 298) suggest that ‘how the [CSR] story is told may be more important than what story is told’. They argue that communicating CSR through traditional advertising is perceived by many consumers as over-emphasizing company’s good deeds, which may lead to increased skepticism towards company’s motives. Similarly, Bhattacharya and Sen (2003) claim that consumers are less likely to trust such information from company-controlled sources, e.g. corporate advertising. Therefore, in order to successfully deliver their CSR information, companies must deliberately choose communication sources or channels which are perceived by their customers as trustworthy.

Although consumers are considered to be one of the primary stakeholder groups of companies, studies exploring consumers’ expectations and responses to the communication of CSR are scarce (Schrader, Hansen & Halbes, 2006; Reisch, 2006; Beckmann, 2006; Podnar, 2008; Ziek, 2009). Therefore the author of the thesis would like to address this gap with the research, focusing on consumer oriented CSR communication.



The study adopts a multidisciplinary communication perspective and makes use of the literature within CSR, corporate communication, business ethics, psychology, consumer behavior, marketing communications and other relevant fields.

### **1.3 Purpose**

The purpose of the thesis is to identify the most appropriate ways for reaching Millennials in Sweden with CSR communication and to discuss the possible implications of the results within wider context of CSR communication.

### **1.4 Research question**

In order to successfully carry out the purpose of the research the main research question have been formulated:

*How should companies communicate their CSR engagement to Millennials in Sweden in the most appropriate way?*

Two main aspects were considered to be important in finding the answer to the research question: the general opinion about CSR among Millennials in Sweden and their preferred ways, or channels, for receiving CSR information. Therefore the research is carried out and the analysis of the results is presented with these sub-questions in mind.

### **1.5 Expected research contribution**

By highlighting communication role in CSR practices, which is often overlooked in a standard CSR research, the results of this study will contribute to CSR communication area. It will give some insights into Swedish situation concerning consumer oriented CSR communication and especially young people perceptions of this communication and preferred ways to receive CSR information. With most of the CSR literature coming from U.S., this research will provide some information about CSR communication in European, particularly, Scandinavian context.

## 1.6 Outline of the thesis

**Chapter 1:** This is the **introduction** chapter, where the problem of the thesis is presented together with its wider background. The purpose, research question and expected research contribution are discussed.

**Chapter 2:** In this chapter the **theoretical background** forming a basis for the analysis of the empirical results of the research is presented. Chapter concludes with a short summary.

**Chapter 3:** This is the **methodology** chapter, where research philosophy, approach, type and strategy are presented together with a short discussion on qualitative and quantitative research methods. Sampling and data collection methods are discussed as well.

**Chapter 4:** In this chapter the **empirical results** of the study are presented.

**Chapter 5:** This section presents the **analysis** of the empirical results in relation to the theory and the research question.

**Chapter 6:** This is the **conclusion** chapter, in which the research question is answered, contributions and limitations of the research are discussed and some suggestions for future research are proposed.

## **2 THEORETICAL BACKGROUND**

*In this chapter a multidisciplinary theoretical background forming the basis for the analysis of the empirical results is presented. It concludes with a short summary.*

### **2.1 Defining CSR communication**

In order to arrive at a comprehensive understanding of the CSR communication concept, the relevant concepts of CSR and communication must first be defined.

#### **2.1.1 CSR definition**

The concept of CSR is widely used nowadays; however there is uncertainty both in the corporate and in the academic world as to how CSR should be defined and what exactly constitutes the social responsibility of business (McWilliams, Siegel & Wright, 2006; Dahlsrud, 2008). After analyzing 37 definitions of CSR originating from 27 authors and covering a time span from 1980 to 2003, Dahlsrud (2008) concluded that, although applying different terms and phrases, they all consistently referred to five dimensions: the stakeholder, the social, the economic, the voluntariness, and the environmental dimension. Therefore the definition of CSR used in this thesis is the one, provided by the European Commission and incorporating all five dimensions. According to them, CSR is ‘a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.’ Therefore a socially responsible company is committed to minimizing any harmful effects of its operations and maximizing its beneficial impacts on society (Mohr, Webb & Harris, 2001).

Other similar concepts describing ethical and responsible business practice are: sustainable development, corporate citizenship, business ethics, corporate responsibility, corporate social performance, business citizenship (Waddock, 2004) and corporate governance (Moreno & Capriotti, 2009). Dahlsrud (2008) notices that at the conceptual level CSR is nothing new as business has always had social and environmental impacts and been concerned with the stakeholders. However, at the operational level, nowadays business has different and rapidly changing expectations from various stakeholders and this presents a new challenge in finding new effective CSR management tools.

#### **2.1.2 Communication definition**

Communication is the key element of CSR management (Tixier, 2003; Capriotti & Moreno, 2007b); however, it is often overlooked in CSR research. In a wide sense communication can be defined as a ‘transmission of content X from a sender Y to a recipient Z using an expression W and a medium Q in an environment E with a purpose/function F’ (Allwood, 2002 p. 8). However, in the business context, a narrower concept of corporate communication

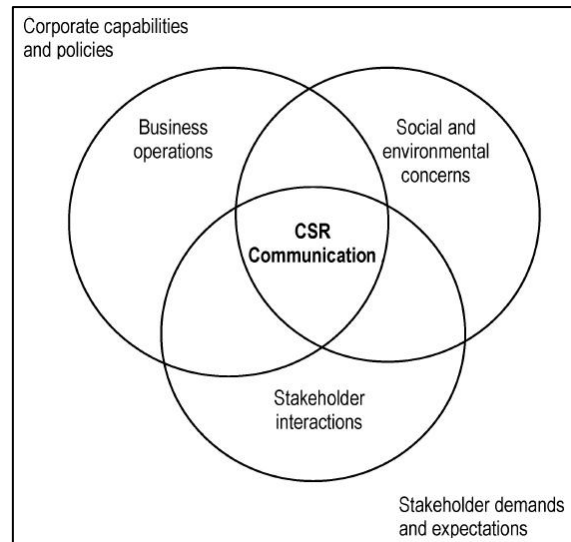
would be more relevant. According to Cornelissen (2011), corporate communication can be defined as:

A management function that offers a framework for the effective coordination of all internal and external communication with the overall purpose of establishing and maintaining favourable reputations with stakeholder groups upon which the organization is dependent (p. 5).

Corporate communication plays a crucial role in creating, nurturing and maintaining the long-term relationships between organization and its public through creating positive psychological associations towards an organization among its various stakeholders (Kim & Rader, 2010). Therefore the core task of corporate communicator is to build, maintain and protect the company's reputation (Cornelissen, 2011). Because stakeholder perceptions of company's CSR activities influence company's reputation (Manheim & Pratt, 1986), CSR communication nowadays has become one of the major trends in corporate communications.

### **2.1.3 CSR communication definition**

From what has been already discussed about CSR and communication, it emerges that CSR communication is a component of corporate communication. Gray, Owen and Adams (1996) broadly define CSR communication as the 'process of communicating the social and environmental effects of organizations' economic actions to particular interest groups within society and to society at large' (p. 3). However, a more inclusive understanding of CSR communication is concerned with building corporate reputation and creating value for its stakeholders (Hooghiemstra, 2000). Thus, it can be defined as dissemination of the true and transparent information about a company's or a brand's integration of its business operations, social and environmental concerns, and interactions with stakeholders (Podnar, 2008) in order to influence stakeholders' and society's image of the organization, create positive consumer perceptions (Vanhamme & Grobben, 2009) and, thus, legitimize its behavior (Birth et al, 2008). Figure 1 visually presents CSR communication concept.



**Figure 1: CSR communication (Podnar, 2008 p.76)**

Normally, issues covered by CSR communication are broad and include workplace climate, human rights, community involvement, environment, cultural diversity, charity and fair business practices (Esrock & Leichty, 1998).

As this thesis focuses on CSR communication addressed to consumers, it is also important to define the concept of consumer oriented CSR communication. Schrader, Hansen and Halbes (2006) define it as ‘all communication activities which are specifically or among others targeted at consumers and which deal with corporate social and/or ecological responsibility’ (p. 5). It can be either restricted to communication on the corporate level or, in a broad sense, it can also include communications on the product or value chain level. CSR communication on a company level usually addresses consumers only among others through non-financial reports, CSR communication on the Internet or press releases. CSR communication on a corporate level directed specifically to consumers includes CSR advertisements and participation in CSR ratings of consumer organizations. CSR communication on a product or value chain level is more focused specifically on consumers and makes use of labeling, packaging and product advertisements regarding social or ecological features of production (Table 1).

		Point of reference	
		Company	Products/value chains
Consumer focus	Among others	<ul style="list-style-type: none"> <li>• Non-financial reports</li> <li>• Company related CSR communication on the Internet</li> <li>• Company related press releases about CSR</li> </ul>	<ul style="list-style-type: none"> <li>• Product related CSR communication on the Internet</li> <li>• Product related press releases about CSR</li> </ul>
	Specific	<ul style="list-style-type: none"> <li>• Corporate advertisements</li> <li>• Participation in CSR-ratings/ tests of consumer organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Eco-/Socio-Labels</li> <li>• Product advertisements</li> <li>• Packaging declarations</li> </ul>

**Table 1: Consumer oriented CSR communication (Schrader, Hansen & Halbes, 2006 p. 5)**

Some authors distinguish between CSR communication and social reporting, which, according to them, implies the mandatory nature of social disclosure (Chaudhri & Wang, 2007). In this study, however, both CSR communication and CSR or social reporting terms will be used interchangeably, because distinction between mandatory and voluntary social disclosures is not considered to be important for the purpose of this research. Thus, this thesis follows Antal et al (2002) idea that social reporting is used to ‘reveal how and to what extent a company perceives and fulfils its responsibility to society’ (p. 23), which correlates to the definition of CSR communication to some extent.

## **2.2 Main perspectives and theories within CSR field**

In the literature three main perspectives on the responsibilities of companies can be identified.

*The classical*, or shareholder perspective, assumes that the main responsibility of business is to increase its profits for the owners and shareholders of the company. The most prominent supporter of this approach is Friedman (1970), who insisted that only people, and not ‘business’ as a whole, can be said to have social responsibilities. In this approach, government rather than business organizations is considered to be responsible for social issues, and companies address CSR only if it seen as an instrument to attain a long-time value creation for the owners (Nielsen & Thomsen, 2007).

According to the second perspective – *the stakeholder approach* – companies are responsible not only to the owners, but also to various stakeholders of the company. Freeman et al (2010) define stakeholders as ‘those groups without whose support, the business would cease to be viable’ (p. 26) – employees, customers, investors, public authorities, suppliers, communities, etc. The main idea of this approach is that stakeholders have the right to know what contributions corporate entities are making to society (Idowu & Towler, 2004). ‘Stakeholder

management' is considered to be the main driver of CSR activity and reporting (Gray, Owen & Adams, 1996).

*The societal approach* is the broadest perspective on CSR and assumes that companies are responsible to the society as a whole. Companies are viewed as an integral part of the society and they need to have a public consent for their operations, so called 'license to operate' (Committee for Economic Development, 1971 cited in Nielsen & Thomsen, 2007 p. 28). Socially responsible companies are considered to be 'good corporate citizens' (Waddock, 2004).

The stakeholder approach is the most prominent in CSR literature and it is also used in this thesis, which focuses on one of the most important company stakeholder groups – consumers.

## **2.3 Motivations of companies to engage in CSR**

As Marrewijk (2003) puts it, companies engage in CSR practices because they either feel obliged to do it, are made to do it or they want to do it.

While stakeholders previously primarily attributed negative attention to so called sin industries (companies producing tobacco, alcohol, weapons, pornography, etc.), today CSR issues include child labor, gene-modified organisms, sweatshops, etc., which in practice are concerns across many if not all industries (Morsing & Schultz, 2006). Dealing with these concerns presents a challenge to many companies even if their initial operations are not perceived as harmful to the surrounding environment.

### **2.3.1 Legitimacy claims**

From all the theories developed to explain what motivates companies to address CSR issues, the most prominent in CSR literature is legitimacy theory. The core idea of legitimacy theory is that companies use reporting as a communication mechanism to defend or maintain legitimacy of their operations in the eyes of society and/or their stakeholders (Tilt, 2009). It is assumed that a 'social contract' exists between business and society in which the company is allowed to operate as long as it acts in accordance with the norms and laws of the society (Farache & Perks, 2010). When society's expectations about company's behavior are not fulfilled, that is, a company's actions cease to be perceived as being in accordance with social values and norms, a breach of the contract occurs and company's right to exist is threatened (Branco & Rodrigues, 2006). Therefore, according to legitimacy theory, companies are trying to constantly inform society that their operations are in accordance to society's norms and values and, thus, make certain that they have a 'license to operate'.

Legitimacy theory studies suggest that companies in industries with high public visibility and potentially significant environmental impacts will be more concerned with improving their image and, thus, will be more likely to make social responsibility disclosures (Adams, Hill &

Roberts, 1998; McWilliams & Siegel, 2001; Branco & Rodrigues, 2006; Kim & Rader, 2010). In fact, Kim and Rader (2010) found that the majority of top 100 *Fortune* 500 corporations communicate their CSR engagement on their websites. In addition, it was found that large companies are significantly more likely to disclose all types of corporate social information (Adams, Hill & Roberts, 1998).

### **2.3.2 Positive consumer reactions**

It is not only legitimization claims that make companies to communicate their CSR engagement, but also ‘multi-faceted business returns that corporations can potentially reap from their CSR endeavors’ (Du, Bhattacharya & Sen, 2010 p. 8). Among the perceived benefits that company may gain by disclosing its CSR information are: increased customer loyalty, trust, more supportive communities, attraction of more talented employees, improved quality and productivity and the avoidance of potential reputational risks (Idowu & Towler, 2004), greater prestige and perceived attractiveness of brands, closer consumer-company identification (Curras-Perez, Bigne-Alcaniz & Alvarado-Herrera, 2009), competitive edge, positive corporate image and avoidance of penalties for unethical behavior (Jahdi & Acikdilli, 2009).

Research focusing on CSR’s influence on consumers’ actual product purchase behavior indicates that the positive effects are not so straightforward and that various factors affect whether a firm’s CSR activities will translate into consumer purchases (Bhattacharya & Sen, 2004): consumer expectations and perceived importance of CSR (Creyer & Ross, 1997), consumers’ trustworthiness perceptions of company communications and actions (Osterhus, 1997; Bhattacharya & Sen, 2003), a company’s overall marketing strategy and the position of CSR within it, a company’s size and demographics (Bhattacharya & Sen, 2004), consumers’ personal support of a CSR domain (Sen & Bhattacharya, 2001).

However, most researchers agree that consumers do take CSR information into account when buying (Creyer & Ross, 1997; Bhattacharya & Sen, 2004) and it influences their overall assessments of corporate image (Brown & Dacin, 1997; Maignan & Ferrell, 2001) and evaluation of products and companies (Mohr, Webb & Harris, 2001) which can ultimately lead to purchase behavior (David, Kline & Dai, 2005). This can be explained by the assumption that the firms, actively supporting CSR, are more reliable and, therefore, their products are of higher quality (McWilliams & Siegel, 2001). Thus, nowadays positioning the company as socially responsible is used to generate a sense of connection consumers feel about the company, so called ‘consumer-company identification’ (Bhattacharya & Sen, 2004; Curras-Perez, Bigne-Alcaniz & Alvarado-Herrera, 2009).



## **2.4 Importance of consumer awareness of a company's CSR efforts**

None of the above mentioned benefits are reaped if the consumers are not aware of company's CSR practices (Bhattacharya & Sen, 2004; Pomeroy & Dolnicar, 2009). Awareness plays a key role in CSR effectiveness and is a key prerequisite to positive reaction of the consumers to CSR initiatives (Bhattacharya & Sen, 2004), because 'if consumer awareness is low, the effect of CSR initiatives on purchasing behavior is only of theoretical, not practical, relevance' (Pomeroy & Dolnicar, 2009 p. 286). Some research has confirmed that general level of consumer awareness about companies' CSR engagement is low and that most of people are not aware that companies engage in CSR (Tixier, 2003; Bhattacharya & Sen, 2004; Dawkins, 2004; Pomeroy & Johnson, 2009). However, despite the low levels of consumer awareness about CSR initiatives, many authors claim, that consumers are, in fact, interested in getting more CSR-related information (Dawkins, 2004; Luff, 2006; Beckmann, Morsing & Reisch, 2006; Ziek, 2009; Bazillier & Vauday, 2010). Cone Inc. (2007) found that 88 percent of Americans want to get more information from companies about their support for social causes. In Sweden, 95 percent thought that companies should communicate their good deeds (Apéria, Bronn & Schultz, 2004).

Consumers use CSR information in order to reward socially responsible companies and punish irresponsible ones with their purchasing power (Creyer & Ross, 1997; Lewis, 2001; Dawkins, 2004). For example, 85 percent of Americans say they would consider switching to another company's products or services because of a company's negative corporate responsibility practices (Cone Inc., 2007). However, as some research indicate, consumers are more sensitive to negative rather than positive CSR information (Sen & Bhattacharya, 2001) and most of them do not proactively seek information on company's behavior (Dawkins, 2004).

According to Pomeroy and Dolnicar (2009), lack of consumer awareness and, thus, response to a company's CSR initiatives results from the lack of CSR communication from companies' side or the low effectiveness of that communication. Therefore companies must work on increasing the awareness levels about their CSR engagement (Tixier, 2003; Bhattacharya & Sen, 2004) which calls for 'more sophisticated CSR communication strategies than previously' (Morsing & Schultz, 2006 p.323). Only if companies inform consumers properly about CSR initiatives they take, they will reap the benefits of their investments in CSR (van de Ven, 2008). In this sense, CSR communication is intended to influence public perceptions of a company and is used as a public relations vehicle (Hooghiemstra, 2000; Schlegelmilch & Pollach, 2005; Capriotti & Moreno, 2007).

Of course, it is not enough just to communicate about CSR engagement; a company must truly integrate CSR in all business operations. As Tixier (2003) puts it, 'only when a company is able to prove that it does what it says, will it be able to enjoy the advantages of

appropriate communication' (p. 85). This study recognizes that an honest involvement of the companies in CSR activities and transparent communication about them is not always the case. However, the discussion about how much CSR communication reflects the real corporate practices is outside the scope of this thesis.

## **2.5 Challenges of CSR communication**

Various authors acknowledge that companies face a difficult and challenging task in seeking to communicate their CSR (Bhattacharya & Sen, 2004; Pomeroy & Dolnicar, 2009). Bhattacharya and Sen (2004) claim that 'any communication surrounding CSR is a slippery slope' (p. 23), because although consumers like to hear the facts, they can easily get suspicious that a company is trying to 'sell' CSR information to them and then CSR communication may actually backfire. In their later article Bhattacharya and Sen (2004) argue that customers are particularly susceptible to a company's CSR initiatives. Brown and Dacin (1997) think that consumers may believe that the company promoting its CSR activities is trying to hide something. Many researchers agree that consumers' skepticism towards the company's CSR messages may hinder the overall effectiveness of CSR communication (Yoon, Gurhan-Canli & Schwarz, 2006; Pomeroy & Dolnicar, 2009; Pomeroy & Johnson, 2009).

Some authors claim that public skepticism is especially heightened when CSR programs are cynically perceived to be insincere and used only as a corporate image tactic (Barone, Miyazaki & Taylor, 2000; Forehand & Grier, 2003; Yoon, Gurhan-Canli & Schwarz, 2006; Pomeroy & Dolnicar, 2009). Others, however, argue that perceived profit-motivation of the company in regard to its CSR communication does not necessarily reduce perceived corporate credibility (van de Ven, 2008). Majority of consumers understand that companies communicate about their CSR activities in order to enhance their reputation and image; however, they also increasingly believe that it is possible to serve both the needs of business and the society (Bhattacharya & Sen, 2004; Ellen, Webb & Mohr, 2006). Forehand and Grier (2003) argue that stakeholders do not respond negatively to extrinsic CSR motives per se, but rather respond negatively to any marketing strategies that seem manipulative or deceptive. Therefore a firm can inhibit stakeholder skepticism and enhance the credibility of its CSR messages by acknowledging both intrinsic and extrinsic motives in its CSR communication, meaning that a company is likely to receive more positive consumer reactions to its CSR initiatives if it does not deny the business interest in them.

From the preceding discussion it is possible to conclude that the key challenge of CSR communication is to minimize stakeholder skepticism (Du, Bhattacharya & Sen, 2010) and to make company's claims more credible and convincing (Schlegelmilch & Pollach, 2005). Schlegelmilch and Pollach (2005) suggest doing it through 'the interplay of subtle, integrated communication' (p. 268).

Besides having to overcome consumers' skepticism, corporate communicators face some more challenges when communicating CSR. Because of lack of a common understanding of CSR and the absence of the framework for how to communicate consistently about CSR, many organizations are unprepared for the task and communicate their CSR inconsistently (Nielsen & Thomsen, 2007). On the other hand, companies must think strategically about CSR communication and know which CSR information to communicate and how to employ different communication tools in order to meet stakeholders' expectations concerning CSR and to satisfy their information needs (Podnar, 2008; Arvidsson, 2010). This is a challenging task, because various stakeholders have different expectations of companies, different information needs and they respond differently to the various communication channels used (Dawkins, 2004; Pomeroy & Dolnicar, 2009). Thus, according to Du, Bhattacharya and Sen (2010), managers must know what to communicate (i.e. message content) and where to communicate (i.e. message channel), as well as to understand the company- and stakeholder-specific factors that impact the effectiveness of CSR communication.

Given previously mentioned variations, Pomeroy and Dolnicar (2009) suggest that market segmentation could be a promising approach to improve CSR communications. Moreover, a successful CSR strategy must be context-specific for each business (Marrewijk, 2003) and CSR messages have to be matched to stakeholders' interests (Cerin, 2002; Dawkins, 2004; Gill & Dickinson, 2008; Pomeroy & Dolnicar, 2009), which makes consumer oriented CSR communication activities very expensive (Schrader, Hansen & Halbes, 2006).

## **2.6 CSR communication strategies**

According to Basu and Palazzo (2008), an organization can display different modes of transparency and choose to present CSR information either in a balanced way, with respect to both favorable and unfavorable aspects of its operations, or a biased way, including only the favorable part. In addition, McWilliams, Siegel and Wright (2006) distinguished two types of CSR communication: persuasive and informative. Persuasive CSR communication attempts to positively influence consumer tastes for products with CSR attributes while informative CSR communication merely provides information about the CSR characteristics of the firm. Using this strategy, a company tries to build its overall reputation and not to directly influence purchase decisions of the customers.

Morsing and Schultz (2006) identified three ways in which companies can communicate their CSR engagement to the stakeholders: the stakeholder information strategy, the stakeholder response strategy and the stakeholder involvement strategy.

In *the stakeholder information strategy* companies use one-way communication from the organization to its stakeholders producing information for the media as well as a variety of brochures, pamphlets, magazines, facts, numbers and figures to inform the general public.

Trustworthy communication originates from the company itself and this model is primarily used in CSR communication by governments, non-profit organizations and many businesses.

*The stakeholder response strategy* is based on a two-way asymmetric communication, which is perceived as a feedback in terms of finding out what the public will accept and tolerate. Thus, according to this model, an organization is seeking a feedback from its stakeholders, but does not necessarily change as a result of that feedback. It views stakeholders as being influential but passive respondents to corporate initiatives.

*The stakeholder involvement strategy*, in contrast, seeks to have a dialogue with its stakeholders. This strategy suggests that companies engage in a frequent and systematical dialogue with their stakeholders in order to explore mutually beneficial action. Authors suggest that companies should use stakeholder involvement strategy to gain maximum benefits from their CSR activities and to increase the support from stakeholders (Morsing & Schultz, 2006; Du, Bhattacharya & Sen, 2010), because the effectiveness of CSR communication depends to a high degree on the target group's involvement with the issue (Schlegelmilch & Pollach, 2005), especially in high public visibility sectors (Cerin, 2002).

However, some others claim that stakeholder involvement strategy is very time consuming and expensive and after all it might even lead to paralyzing effects, preventing an organization and its stakeholders from reaching consensus because of emotional content present in CSR discussions (Schultz & Wehmeier, 2010). They say that stakeholder dialogue increases the risk of delegitimization rather than fosters more legitimacy or higher financial performance.

Furthermore, it is important for corporate communicators to understand that 'even effective social responsibility communication will not necessarily be rewarded with instant gratification' (Manheim & Pratt, 1986 p. 15).

## **2.7 CSR in Sweden**

It is widely recognized among researchers that businesses' approach and stakeholders' reactions to CSR vary across different countries (Adams, Hill & Roberts, 1998; Maignan & Ralston, 2002; Schlegelmilch & Pollach, 2005; Sobczak, Debucquet & Havard, 2006; Morsing, Schultz & Nielsen, 2008). Therefore it is important to get some insights into CSR situation in Sweden.

According to Arvidsson (2010), the development of a CSR consciousness came relatively late amongst Swedish companies. For example, Adams, Hill and Roberts (1998) found that Swedish companies were not disclosing as much CSR information as companies in German and Great Britain. Similarly, Svensson, Wood and Callaghan (2006) made a research about the use of codes of ethics in top 100 Swedish companies. They concluded that at that time

business ethics had only recently become a topic of interest in corporate Sweden and that many companies were in the early stages of code development and assimilation into company policies. The possible explanation to this might be the Swedish welfare state model, according to which the economic returns of companies were transferred via taxes to the public sector and used to provide for the social needs of the citizens such as education and care. Therefore Swedish companies had been more or less relieved from being socially responsible for quite a long time (De Geer, 2008, 2009 cited in Arvidsson, 2010).

However, nowadays situation regarding CSR in Sweden has changed considerably. Promoted by other actors than the state, employers and trade unions, CSR has become an established phenomenon in Swedish business (De Geer, Borglund & Frostenson, 2009). Borglund, De Geer and Hallvarsson (2008) noted that in 2008 75 out of Sweden's 100 largest corporations communicated on CSR or closely related concepts on their homepages. The research of Windell, Grafström and Göthberg (2009) and Arvidsson (2010) confirms a trend shift towards more focus on CSR in corporate communication of Swedish companies. However, in a recent research covering Sweden's 206 largest retail firms, Frostenson, Helin and Sandström (2011) concluded that their CSR communication was not very much adapted to customers, which indicates that retail companies still do not view customers as the main target of their CR communication. Moreover, when it comes to companies publishing their CSR communication on their websites, H&H Webranking (2010) states that Swedish companies have room for improvement in their CSR sections. According to them, many Swedish websites are in danger of falling behind European competitors in these areas. Thus, it implies that Swedish companies are not so good in communicating their CSR information, at least on the corporate websites.

Concerning consumer reactions, according to a global survey, 46 percent of Swedish consumers prefer to purchase products and services from a company with a strong environmental reputation. This number puts Sweden in a third position in the World after China and Australia (Environmental leader, 2007) and confirms the results of MORI's research, according to which, Sweden has one of the highest levels of CSR activists (Dawkins, 2004). However, according to Morsing and Schultz (2006), people in all three Scandinavian countries are uncertain with respect to how companies should communicate their CSR initiatives – in more or less conspicuous channels. In a light of this, the purpose of this thesis seems very relevant.

## **2.8 CSR communication channels**

### **2.8.1 An overview of CSR communication channels**

According to Birth et al (2008), there are few key elements in CSR communication: communication objectives and channels. They argue that by identifying appropriate communication objectives and channels for different stakeholders and by understanding the

communication context, companies may overcome many of the intrinsic problems hindering the achievement of transparent CSR communication. While there are mainly three objectives of CSR communication addressed to customers – reputation, product differentiation, and customer loyalty (Birth et al, 2008), there are many more CSR communication channels available for a company to choose from. The channel in this context refers to a medium chosen for the CSR discourse (Schlegelmilch & Pollach, 2005).

Du, Bhattacharya & Sen (2010) have identified corporate and independent channels for CSR communication. The content of CSR messages distributed via corporate channels such as CSR report, corporate website, cause marketing campaigns, public relations, advertising and point of purchase (e.g. product labeling) are to a high degree controllable by the company. Independent channels, on the other hand, such as media coverage on TV and in the press, stakeholder word-of-mouth, monitoring groups and consumer forums/blogs usually are outside the company's control. Some other CSR communication channels mentioned in the literature are: codes of conduct, stakeholder consultations, prizes and events, employees (CSR Europe, 2000 cited in Birth et al, 2008), the initiating of conferences and seminars on environmental and social issues and participating in them, publishing and distributing of brochures about CSR events, organization and sponsorship of public actions (Juščius & Snieška, 2008). From all the mentioned channels three channels in particular – social reports, websites and advertising – play the prominent role in CSR communication (Birth et al, 2008).

### **2.8.2 Perceived credibility of CSR communication channels**

Du, Bhattacharya and Sen (2010) argue that a trade-off between the controllability and credibility of CSR communication exists: the less controllable the communicator is, the more credible it is, and vice versa. Therefore CSR information received directly from the companies will be treated with a great degree of skepticism (Schlegelmilch & Pollach, 2005; Pomeroy & Dolnicar, 2009; Du, Bhattacharya & Sen, 2010) and is likely to face heightened scrutiny (Pomeroy & Johnson, 2009).

In order to enhance the credibility, or in other words believability, of their CSR messages and engender trust companies are advised to make use of third parties verification (Stoll, 2002; Dando & Swift, 2003; Yoon, Gurhan-Canli & Schwarz, 2006; Du, Bhattacharya & Sen, 2010). The simple formula for the credible CSR communication, according to them, is for companies to be socially responsible and let others talk about it. Therefore companies should try to get positive media coverage from independent, unbiased sources such as editorial coverage on television or in the press (Tixier, 2003; Du, Bhattacharya & Sen, 2010) or receive high profile awards for the best SCR practice (Dando & Swift, 2003). There are special journals such as *Business Ethics* or independent organizations that provide relatively unbiased information on corporate social responsibility (Yoon, Gurhan-Canli & Schwarz, 2006). However, research results generally demonstrate that journalists tend to perceive

organizations' engagement with CSR cynically and prefer to cover the negative stories rather than positive ones (Tench, Bowd & Jones, 2007).

According to Bhattacharya and Sen (2004), one of the key outcomes of positive CSR activities is that consumers tend to talk positively about the socially responsible company to their friends, family, and colleagues. Even focus group participants who acknowledged not basing their purchase decisions on a company's CSR activities per se indicated that they often talked up or recommended such companies to their friends. Thus, other informal yet credible CSR communication channels are employees and consumers themselves. Du, Bhattacharya and Sen (2010) argue that companies should find a way to engage employees as well as consumers in their CSR communication strategy and to convert them into companies' CSR advocates because of many social relationship ties that they possess among the stakeholders. The power of consumer word-of-mouth in particular has been greatly magnified by the use of Internet communication media such as blogs, chat rooms and social media sites (e.g. Facebook).

### **2.8.3 Choosing the right channel**

The biggest challenge for a company is to decide how broadly it should communicate about its CSR activities. According to Dawkins (2004), many audiences are not proactively looking for CSR information, thus, companies might try to embed CSR messages in more mainstream communications. However, Morsing and Schultz (2006) as well as Jahdi and Acikdilli (2009) argue that subtle ways of CSR communication (so called 'minimal channels') such as annual reports and websites are perceived as more appropriate CSR communication tools compared to corporate CSR advertising and other persuasive forms of communication. In agreement, van de Ven (2008) explains that if companies communicate their CSR via marketing communication instruments like advertising, sponsoring, direct marketing, packaging and promotions, it easily arouses public skepticism because of a very strong commercial dimension added to the message. According to Jahdi and Acikdilli (2009), public relations and its more recent addition, i.e. online communications in the form of websites and emails, have been most often treated with suspicion among the target audience.

On the other hand, the research of the visitors of one American retail centre showed that the most successful methods of communicating CSR were highly visible on site marketing communications techniques - the big screen television, centre brochures, signs in the centre, etc. (Bowd, Bowd & Harris, 2006)

Following the discussion, it becomes clear that it is a challenging task for companies to decide which channels to use in their CSR communication with the stakeholders, especially consumers. Du, Bhattacharya and Sen (2010) argue that in order to reach the general public effectively, companies should use a variety of communication channels or, alternatively, focus on one or two highly relevant channels. In addition, Jahdi and Acikdilli (2009) claim,

that the choice of channels for CSR information disclosure is dependent on the target audience.

In the following part the most used CSR communication channels will be shortly described.

#### **2.8.4 CSR reports**

Publicly announced voluntary CSR reports have become the main instrument for companies to communicate their CSR engagement (Jušćius & Snieška, 2008). They are produced to inform and convince stakeholders about corporate CSR activities and they are restricted to one-way communication (Morsing & Schultz, 2006). Two trends might be identified in corporate reporting practice (Stiller & Daub, 2007). One is towards a more complex reporting practice with a variety of reports divided on topics or issues. This strategy is mostly promoted by multinational companies with a large impact on the environment and society. The other trend is an integrated reporting practice, where information on the social and environmental performance is integrated into the annual report.

The biggest disadvantage of CSR reports from the company's position is a lack of clear requirements for what has to be communicated in the CSR report. It results in different companies producing different CSR reports and makes it impossible for readers to identify what to look for in the 'normal' CSR report (Cerin, 2002; Idowu & Towler, 2004).

Moreover, although it is one of the main tools that companies use for CSR communication, the actual readership of CSR reports is very low, because the readers have to request them or find them on the corporate website. Therefore, with more and more companies producing CSR reports, their effectiveness for image communication is reduced (Schlegelmilch & Pollach, 2005).

Furthermore, Parker (1982) argues that social reports are inaccessible to a large majority because it either does not meet their information needs or its content is difficult to understand. Moreover, CSR reports are usually complex, fact oriented, and hardly related to consumers' buying behavior (Schrader, Hansen & Halbes, 2006). As a result, recipient appraisals of these reports do not seem high (Cerin, 2002).

#### **2.8.5 Internet**

Many researchers point out the growing importance of the Internet and corporate websites in organizational, and particularly CSR, communication (Esrock & Leichty, 1998; Maignan & Ralston, 2002; Snider, Hill & Martin, 2003; Rolland & O'Keefe Bazzoni, 2009; Moreno & Capriotti, 2009). An analysis by Esrock and Leichty (1998) revealed that 90 percent of a random sample of *Fortune* 500 companies had web pages and 82 percent of the sites addressed at least one CSR issue. Corporate websites have become a major medium to



communicate CSR to target audiences (Insch, 2008), especially in developed countries with prevailing use of the Internet (Basil & Erlandson, 2008).

According to Insch (2008), corporate websites are a powerful public relations tool since they reach diverse stakeholder groups and, unlike traditional mass media, they are not vetted by the gatekeeping function of journalists. As a result, companies have more freedom to positively present themselves and enhance their reputation. Moreover, web pages can also have interactive features to collect information, monitor public opinion, solicit feedback from an unlimited range of stakeholders, inform, persuade, educate and proactively engage them in a direct and ongoing dialogue about a variety of matters (Esrock & Leichty, 1998; Antal et al, 2002; Stuart & Jones, 2004; Insch, 2008; Rolland & O'Keefe Bazzoni, 2009). In addition, social software programs such as Internet forums, wikis, weblogs, instant messaging, RSS, podcasts and social bookmarking that enable users to interact, share knowledge, and discuss specific topics via internet, further increase the efficiency of CSR information dissemination. Various Internet capabilities like online availability, download possibilities, web forms, search engines, hyperlinks as well feedback opportunities could be used for the CSR communication as well (Schneider, Stieglitz & Lattemann, 2007). However, as the authors notice, NGO websites tend to use social software more often than firm's websites.

On the other hand, the use of the Internet for CSR communication has disadvantages as well. The biggest minus is that the Internet is a 'pull' medium, which means that users themselves have to request the content of the website and, as a result, they do not view sections that do not interest them (Schlegelmilch & Pollach, 2005). It means that users have to deliberately visit the company's website and choose to view the section about CSR, which, as it has already been mention, rarely is the case. Thus, CSR communication through the Internet opens up a question about the target groups addressed and the ones actually reached (Isenmann, 2006).

Moreover, Jahdi and Acikdilli (2009) argue that in the absence of media gatekeepers, people become more concerned with the quality and reliability of web-based information, especially concerning an ethically glossy corporate image. They claim that 'for any communication to be successful, source reliability and credibility are essential requirements' (p. 110). In her research on World Wide Web and corporate self-presentation Pollach (2005) recommends that companies can enhance credibility of their web-based messages by using a number of persuasive appeals such as third-party evidence, numbers or humanization. Jahdi and Acikdilli (2009) add that audience involvement can be also employed to remedy this problem.

In order to counterbalance the information produced by companies some users have adopted other online communication tools like corporate complaint websites, chat rooms, discussion groups and blogs to express their opinion or dissatisfaction with the company's CSR

practices (Insch, 2008). The content of stakeholder provided information on opened blogs and forums is practically impossible for a company to control (Schneider, Stieglitz & Lattemann, 2007), which presents some risks for a company whenever that information is negative or incorrect.

While discussing the use of the Internet for CSR communication, it is important to mention a relatively new Internet medium – blogs. Huang et al (2007) define weblogs, or blogs, as ‘personal journals on the Internet arranged in reverse chronological sequence that facilitate interactive computer mediated communication through text, images, and audio/video objects’ (p. 473). Fieseler, Fleck and Meckel (2010 p. 599) argue that ‘CSR issues appear to be a natural fit for this communication vehicle’, mainly because it has a strong potential for engaging stakeholders in a continuous dialogue on sustainability issues. Moreover, they propose the concept of microdialogues when referring to the special case of symmetric communication on the blogs and argue that such microdialogues engender authenticity, transparency, and credibility, because anyone can participate in the discussion and their claims are reviewed by other blog readers and commentators. However, it is important to remember that the audience of online discussion platforms is rather small compared to the mass media reach. On the other hand, CSR blogs reach very active and well-informed users, who tend to be early adopters and opinion leaders (Fieseler, Fleck & Meckel, 2010).

Some other authors, while agreeing that blogs represent a new and interesting medium for marketing communications, also warn that this medium is uncontrollable and its value is ‘largely unproven’ (Huang et al, 2007 p. 472).

To conclude the part about the internet, as Dawkins (2004) puts it, although the Internet is increasingly being used by companies to tailor their CSR messages to different audiences, a creative use of offline information channels is also required.

## **2.8.6 CSR ads**

CSR advertising can be recognized as a channel for creating, restoring or maintaining organizational legitimacy by using campaigns that appeal to consumer rationality as well as to their emotions (Farache & Perks, 2010). In addition, CSR advertising can be regarded as representing an approved, formalized and official perspective on CSR within the corporation (Farache & Perks, 2010). One could argue that advertising, being the push medium, would be a better choice than pull media for CSR, because when communicating CSR, companies are trying to tell consumers something that they are not necessarily interested in. However, as it has been already mentioned, it is not always superior to other media (Schlegelmilch & Pollach, 2005). It happens because consumers are generally skeptical towards advertising and CSR advertising is especially perceived by many as over-accentuating the good deeds of the company and therefore resulting in skepticism and cynicism toward the CSR message (Pomering & Dolnicar, 2009). Moreover, some research show that if the topic of the ad is

perceived as incompatible with the company's core business, advertising is even less credible and may make the company appear hypocritical (Schlegelmilch & Pollach, 2005).

## **2.9 Millennial generation**

As it has already been mentioned in the introduction, one consumer segment is recognized as being the 'drive' behind increasing attention to CSR – Millennials, also called generation Y (Alch, 2000; Heaney & Gleeson, 2008), echo-boomers, Net (or Internet) generation, Nexters, and Nintendo generation (Alch, 2000). Howe and Strauss (2000) define generation as:

A society-wide peer group, born over a period roughly the same length as the passage from youth to adulthood, who collectively possess a common persona, i. e attitudes about family life, gender roles, institutions, politics, religion, culture, lifestyle, and the future (p. 40).

Authors admit that not every member of the generation will share those attitudes, but they claim, that 'every member will have to deal with it, willingly or not, over a lifetime' (p. 41).

There is no clear agreement on the birth years of Millennial generation. Some authors indicate that Millennials were born 1977 (Alch, 2000; Paul, 2001), others – 1979 (Neuborne & Kerwin, 1999) or even 1982 (Howe & Strauss, 2000). For the purpose of this thesis the middle option has been taken and it is considered that Millennials are those born after 1980.

According to Alch (2000), demographers, market analysts, and researchers have already realized that this new generation will dominate marketing in the twenty-first century. Similarly, Paul (2001) claims that 'businesses in nearly every consumer spending category are jockeying for a piece of this market' (p. 44). In addition, Farris, Chong and Dunning (2002) argue that not to pay attention to Millennial market is one of the biggest mistakes any marketer can make. However, it is important to notice, that most of the literature and research about Millennials come from the U.S. (Syrett & Lammiman, 2004), thus, the size of Millennial market and importance of it most likely differs from country to country. In 2009 there were 2.41 million Millennials in Sweden, 1.44 million of which were over 18 years old (Statistics Sweden, 2010) which represents quite a big market relatively to country's overall population (9.43 million).

Millennials are said to be optimists, cooperative team players, rule followers, who accept authority. They are smart and they believe in the future, where they see themselves as its cutting edge (Howe & Strauss, 2000). Moreover, they are the first generation to have grown up with technology from the early childhood and as a result they take the internet for granted and can establish and sustain close relationships at the distance (Farris, Chong, Dunning, 2002; Syrett & Lammiman, 2004).

As consumers, Millennials value functional aspects of brands – they want good value and a good, quality product. But they are also looking for brands to connect to (Geraci & Nagy, 2004). Heaney and Gleeson (2008) describe Millennials as the ‘most savvy and informed consumers, looking for bargains and conducting well-researched online shopping transactions’ (p. 389).

In the CSR context, most Millennials are far more trusting than their parents, that large national institutions can do good for their and the nation’s behalf; however, they are also more willing than other recent generations to acknowledge the importance of their own personal choices and actions (Howe & Strauss, 2000). As a result, Neuborne and Kerwin (1999) argue that Millennial generation causes dynamic changes in the field of corporate social policy. They say that Millennials are savvier about serious social-policy making than the previous generations and even those who are not actively engaged in social protests can exercise their power as consumers and workers against socially irresponsible companies.

In correlation with the assumption that ‘young generations are considered to be more open to social and environmental issues’ (Sobczak, Debucquet & Havard, 2006 p. 463), Millennials are said to care about the environment, poverty, and the global issues in general, that is to have a desire to ‘save the world’, and to have high expectations for social responsibility and ethical behavior from the companies (Alch, 2000; Ng, Schwitzer & Lyons, 2010).

Abram and Luther (2004) claim that Millennials are format agnostic. It means that they see little difference in credibility between print and media formats. They also expect to have information and entertainment available to them anytime and anywhere. According to Alch (2000), Millennials need to be able to control their environment, to obtain information quickly and easily, to have more time for themselves and less-structured lives. Syrett and Lammiman (2004) argue that Millennials are primarily loyal to their closest social circle and value information provided by peers, as opposed to the selling of information.

Marketers have long known the challenge of reaching young consumers, because their lives are in transition and they thrive in a fragmented media landscape using various media simultaneously – multitasking (Geraci & Nagy, 2004; Abram & Luther, 2004; McCasland, 2005). Moreover, their ‘hypocrisy barometers are more finely tuned than those of previous generations’ (Syrett & Lammiman, 2004 p. 65), because from the early age they have been subjected to many commercial messages. As a result, they have developed a high level of persuasion knowledge - ability to sufficiently recognize a persuasion attempt by a marketing agent (Friestad & Wright, 1994) and know how to cope with persuasion attempts. Neuborne and Kerwin (1999) argue that Millennial generation responds to ads differently than their parents, because of growing up in a media-saturated, brand-conscious world. If marketers want to attract their attention, they need to bring their message to the place Millennials congregate. Contrary to the widely held belief, young consumers do not hate advertising –

they dislike advertising that is irrelevant or unwanted (McCasland, 2005). Therefore learning the interests of Millennials and getting their permission for receiving advertising is a vital element in connecting with Millennials (Neuborne & Kerwin, 1999; McCasland, 2005).

Howe and Strauss (2000) recognize that Millennial generation era is arriving later in many countries and their birth-year boundaries vary, therefore cultural differences in the behaviors of Millennials are highly expected. Similarly, Syrett and Lammimam (2004) emphasize that while in other countries the social uncertainties shaping millennial-age attitudes and behavior may be the same, the ideal end point is not so clear cut. Furthermore, Millennials themselves are diverse – ‘an amalgamation of distinct segments with unique media consumption behaviours and brand messaging needs’ (Geraci & Nagy, 2004 p. 18).

## **2.10 Summary of the theoretical background**

In this chapter consumer oriented CSR communication was defined as ‘all communication activities which are specifically or among others targeted at consumers and which deal with corporate social and/or ecological responsibility’ (Schrader, Hansen & Halbes, 2006 p. 5). It was acknowledged that nowadays CSR issues concern companies across many industries and CSR communication helps them to create a positive image and, as a result, to legitimize their behavior in the eyes of stakeholders. Moreover, companies are said to gain many benefits if the consumers know about their CSR efforts, which is another reason why companies increasingly communicate about CSR. It was also acknowledged, on the other hand, that this is a challenging task, because although consumers increasingly want to know about companies’ engagement in CSR, their initial reaction to CSR communication is usually skepticism. Moreover, national cultures are known to influence perceptions and practices of CSR. As this thesis focuses on Sweden, a short overview of CSR situation in this country was presented.

Furthermore, three of the most prominent CSR channels – social reports, websites, and advertising – were described in the text, because channel is claimed to be one of the key elements of CSR communication. Distinction between company-controlled and independent channels was made and discussed in relation to credibility issues. As a result, the challenge of choosing the right channel or channel mix for effective CSR communication was recognized.

Millennials – consumers born after 1980 – were acknowledged as being the ‘drive’ behind increasing attention to CSR as they are very socially conscious. Moreover, they are said to be the most technology savvy generation primarily loyal to their closest circle of people. As they easily recognize hypocrisy in business messages, reaching such consumers with commercial or CSR information has been a challenge for companies. Marketers believe that Millennials will dominate the market in the future; therefore it is important to explore how companies should communicate CSR engagement to them in the most appropriate way.

The theoretical background presented in this chapter puts forward the relationship between the general opinion of respondents towards CSR and their preferred channels for receiving CSR information. This relationship became a starting point for designing and conducting the research. The literature analysis made it possible to decide on the most important questions that needed to be asked in order to find the answer to the research question: “*How should companies communicate their CSR engagement to Millennials in Sweden in the most appropriate way?*” In order to provide an answer, it was decided to focus on analyzing the general opinion of the respondents about CSR and their preferred channels for receiving CSR information.

### 3 METHODOLOGY

*This chapter presents the research philosophy, approach, type and strategy used in the thesis together with a short discussion on qualitative and quantitative research methods. Sampling and data collection methods are presented and discussed as well.*

#### 3.1 Research philosophy

Research philosophy refers to the assumptions the researcher has about the nature and development of knowledge. These assumptions underpin the research strategy and the methods chosen as part of that strategy (Saunders, Lewis & Thornhill, 2009).

Two main contrasting research philosophies in social sciences are positivism and constructionism, also known as interpretivism. The key difference between these two orientations arises from their different conceptions of human beings and the ways to understand their behavior (Thomas, 2004).

Researchers with a positivist philosophy believe that reality is external and objective. Therefore they claim that the social world can and should be measured using objective methods rather than through subjective reflection and intuition (Easterby-Smith, Thorpe & Lowe, 2002). Positivism assumes that humans are natural objects and as such they possess properties that exist independently of any observer (Thomas, 2004). Researchers using positivist paradigm must act as independent observers, who use various hypotheses and deductions with large samples in order to produce statistically probable quantifiable results and make generalizations (Easterby-Smith, Thorpe & Lowe, 2002).

In the constructionist paradigm, on the contrary, the reality is viewed as socially constructed and determined by people rather than by objective and external factors (Easterby-Smith, Thorpe & Lowe, 2002). Therefore researchers with this philosophy must try to understand different meanings people prescribe to reality (Thomas, 2004), placing a focus on what people are thinking and feeling and how they are communicating with each other (Easterby-Smith, Thorpe & Lowe, 2002). Researchers using this paradigm get involved in what is being observed and inductively produce theoretical abstractions from a small number of cases chosen for specific reasons in order to better understand a specific situation (Easterby-Smith, Thorpe & Lowe, 2002).

Saunders, Lewis and Thornhill (2009 p. 109) agree that choosing either the positivist or the constructionist paradigm could be 'somewhat unrealistic in practice'. They suggest that the third research philosophy – pragmatism – may come in handy in such circumstances. Pragmatism argues that the most important determinant in designing a research method is the research question and both observable phenomena and subjective meanings can provide acceptable knowledge. Researchers adopting this perspective focus on practical research,

using mixed or multiple research methods and integrating different perspectives to help interpret the data (Saunders, Lewis & Thornhill, 2009).

The research question of this thesis does not clearly suggest that either the positivist or the constructionist paradigm should be adopted. Therefore pragmatism is considered to be the most relevant philosophy for this research. Another reason why this paradigm has been chosen is that it acknowledges and proposes the use of mixed methods within the same study. The goal of this research is to provide generalized results about the most appropriate ways for companies to reach Millennials in Sweden and for this purpose both quantitative and qualitative data should be gathered and analyzed. While other research philosophies seem to favor certain research methods over the others, pragmatism lets to integrate them and therefore is very suitable for this research.

### **3.2 Research approach**

Different research approaches reflect different relationships between theory and research. Two the most prominent approaches are deductive and inductive.

Using deductive approach, a theoretical position is developed before the collection of data (Saunders, Lewis & Thornhill, 2009). Therefore the research starts with a theory or hypothesis and moves to analyzing specific cases usually by testing relationships between various variables (Schutt, 2006). For example, the researcher can hypothesize that satisfied workers earn more money. Then he conducts a research, gathering data about the salary and work satisfaction level of the respondents. Based on the results of the research the original theory can be supported or rejected (Burns & Burns, 2008). A conclusion reached using deductive reasoning is necessarily true if the premises are true (Johnson & Christensen, 2010). It means, following given example, that if the researcher assumes that satisfied workers earn more money and he or she knows a person who is happy with her work, the researcher might assume that the person earns more money than somebody else who is unhappy with his/her work. However, this conclusion is true only if the major premise is true. Therefore if it is not true that satisfied workers earn more, the conclusion about the other person's salary is not correct.

Inductive research, on the other hand, begins with collection of data from which a theory is developed (Burns & Burns, 2008). Induction uses probabilistic form of reasoning, that is stating what is likely (but not necessary) to occur. For example, if someone has three Italian friends who tend to talk very loud, that person might assume that all Italians are loud. Therefore the conclusions reached using inductive reasoning go beyond the evidence in the premises (Johnson & Christensen, 2010).

In this research the combination of both inductive and deductive approaches, i.e. abductive approach, has been used. The starting point for the research was theoretical literature review



which helped to develop research questions. This aspect and also the fact, that the questionnaire was developed according to some theories and hypotheses provided in CSR communication literature is in accordance with deductive approach. However, the aim of the research is to identify some patterns in the opinion of respondents and, thus, develop a theory rather than to test some particular hypotheses. This aspect is more in accordance with inductive approach.

It is not a rare practice that both inductive and deductive approaches are used within the same research. As O'Leary (2010) states, 'working towards meaningful understanding often involves both inductive and deductive processes' (p. 267). This practise of moving backwards and forwards between observations and theories is often called the Research Cycle (Burns & Burns, 2008). Saunders, Lewis and Thornhill (2009) point out that it is not only possible to combine inductive and deductive approach in the same research, but in many cases it is even advantageous to do so.

### **3.3 Research type**

This research has characteristics of two research types: descriptive and exploratory. The purpose of descriptive research is to present an accurate account of some phenomenon and to express it in words or numbers (Blaikie, 2010). In accordance, this thesis seeks to describe the ways in which Millennials would prefer to receive CSR information. The choice is also supported by the idea that descriptive research is most often being used, among other things, for exploring customer opinion (Polonsky & Waller, 2011).

According to the literature (Blaikie, 2010; Polonsky & Waller, 2011), exploratory research is used when little is known about the topic being investigated and when the researcher wants some flexibility while exploring the issue. Since no research has been done so far concerning Millennials and CSR communication in Sweden, this thesis aims to get deeper insights into this topic rather than just describing the most preferred channels among Millennials for receiving CSR information. Their general opinion towards CSR is analyzed in order to provide the wider context in which the main research question can be answered. This element of the research is in accordance with exploratory research description.

It is not strange or unusual to combine exploratory and descriptive research. As Blaikie (2010) puts it, 'in practice, the boundary between exploratory and descriptive research is blurred' (p. 71).

### **3.4 Quantitative vs. qualitative research methods**

There are many methods to gather data required for a particular research, each with its own strengths and weaknesses (Polonsky & Waller, 2011). Two predominant types to which all research methods are usually divided are quantitative and qualitative research methods.

Quantitative research methods are designed to generate information using statistical analysis that can represent the population as a whole (Polonsky & Waller, 2011). These methods are most often used in order to describe, explain or evaluate a particular social phenomenon (Schutt, 2006). In order to identify the most appropriate ways for companies to reach Millennials with their CSR communication, generalizations about Millennials' opinions and mostly used communication channels are needed. Thus, the research will highly benefit from quantitative methods.

Qualitative research methods, on the other hand, allow the researcher to get a deeper understanding about the feelings of individuals in the sample, but the drawback is that the results are not generalizable (Polonsky & Waller, 2011). However, as the literature suggests, the distinction between qualitative and quantitative research methods is not always sharp (Schutt, 2006; O'Leary, 2010). In other words, quantitative and qualitative methods can be and it is often used in the same research, e. g using questionnaires and interviews. It is often thought to be an advantage of the research since 'thoughtful mixing of methods, procedures, and other paradigm characteristics is an excellent way to conduct high-quality research' (Johnson & Christensen, 2010 p. 195).

Despite of the above stated advantages of a 'mixed method' approach (Schutt, 2006; O'Leary, 2010) only a quantitative method was used in this research, mainly because of time and cost limits. However, both types of information, quantitative as well as qualitative, were sought in this research; therefore, the actual method used can be called 'intramethod' (Johnson & Christensen, 2010).

### **3.5 Research method and strategy**

As it was mentioned in the previous chapter, in order to collect data for this research an intramethod was used. According to Johnson and Christensen (2010), intramethod is a method of collecting data when both qualitative and quantitative data are obtained through a use of a single method, e. g. the questionnaire with both open-ended and closed-ended questions. In order words, in this research one quantitative research method, namely the Internet survey, was used; however, it was constructed in a way that made the obtaining of both types of data – quantitative and qualitative – possible.

Saunders, Lewis and Thornhill (2009) notice that surveys tend to be used as a strategy for descriptive and exploratory research as they allow the researcher to collect a large amount of data in a highly economical way. This highly relates to this research having characteristics of both – descriptive and exploratory – research and justifies the use of survey as the data collection method used in this research.

The main advantages related to the use of survey, and Internet survey in particular, as the research method are the ability to generate large amounts of quantitative data that can be

analyzed using statistical measures and usually a short period of time required for obtaining that data (Denscombe, 2007; Saunders, Lewis & Thornhill, 2009). Moreover, Internet surveys can be particularly valuable when it comes to generalizability of the results, because they can allow to access people and situations that would not be otherwise possible (Denscombe, 2007).

To be more precise – a web-based questionnaire based on previous studies in CSR communication field was developed and used as a strategy in this research. Online distribution of the questionnaire was chosen because of Millennials being so used to technology and Internet and an assumption that it will be easier to gather a sample of valuable amount to get statistically significant results. According to Denscombe (2007), Internet surveys do not have any significant distorting influence on the nature of the information provided by respondents and in this sense has little or no difference from paper-based questionnaires as a research method.

There are, of course, some disadvantages related to survey method as it is the case with all the other methods. The limited number of questions available in the questionnaire and the resulting lack of detailed view of the topic being investigated can be seen as major weaknesses of this method (Denscombe, 2007; Saunders, Lewis & Thornhill, 2009). However, as the purpose of this research is to gather opinions from a relatively large sample of the population, it is accepted that breadth of the research is more important than the depth. In order to partially offset this disadvantage open questions have been used in the questionnaire, which allowed getting deeper understanding of respondents' answers and therefore better interpretation of statistical numbers. The usually low response rates of the surveys can be seen as another weakness of the method. According to Denscombe (2007), it is especially easy to ignore invitation to participate in an Internet survey. It was also the case in this research as the respondents were not as active as it had been anticipated. Because the abilities for the researcher to check on the accuracy of the responses when using Internet questionnaire are limited (Denscombe, 2007), some certain measures were taken in order to increase the accuracy of the responses for this research such as posting invitations to participate in the survey on the forums where participants were of an age required for the sample, indicating the certain prior age requirements for respondents both in invitation text and in the questionnaire as well as asking some filtering questions.

Therefore it can be stated that survey method and, more precisely, web-based questionnaire strategy, has best suited the purpose of the research.

## **3.6 Data collection**

### **3.6.1 Primary and secondary data**

There are two main sources of data that can be used in a research: primary data and secondary data. Primary data is gathered by the researcher for a specific purpose while secondary data is already existing data, gathered and reported for some other purpose than the problem being investigated (Polonsky & Waller, 2011).

This research was initiated by gathering available secondary data. Polonsky and Waller (2011) stress the importance of examining secondary data first as it can provide invaluable background information. Mainly the literature from CSR and communication fields has been used in this research. Some books as well as journals within corporate business ethics, communication management, corporate reputation, marketing communications, public relations, and consumer psychology field proved to be the invaluable resources for the secondary data about CSR communication and allowed to identify main problems, paradoxes in the field and to clearly define the research question. The website of Statistics Sweden (Statistiska centralbyrån) provided valuable information about the size of Millennials generation in Sweden which influenced the decision to address this particular group in the research.

### **3.6.2 Questionnaire**

As it was mentioned before, the questionnaire used for this research was based on previous studies of CSR communication. Advantages and disadvantages of this method have been discussed already, thus, this section will concentrate on the questionnaire itself.

Two basic types of questions which can be used in a questionnaire are open-end questions and closed-end questions. In an open-end question respondents are free to provide any answer they like, no possible answers are given. Thus, open-ended questions provide primarily qualitative data. Closed-end questions, on the other hand, provide answers or response categories pre-specified by the researcher and, thus, provide quantitative data (Peterson, 2000).

According to which questions are used, questionnaires can be classified into qualitative or quantitative. However, in practice most of the questionnaires consist of both types of questions, and this third type of the questionnaires is called a 'mixed questionnaire' (Johnson & Christensen, 2010). The questionnaire used in this research is also a 'mixed questionnaire', because it contained both closed-end and open-end questions. Open-end questions used in the questionnaire were mostly follow-up questions, asking the respondents to provide more information or comments on their answer to the previous close-end question. This was done in order to compensate the possible disadvantages of only using closed-end questions and to get deeper understanding of the answers provided by the participants.

The first part of the questionnaire was designed to provide information for the first research sub-question concerning a general opinion among Millennials about CSR and CSR communication. Here some questions of likert-type scales were used in order to measure the overall skepticism towards CSR messages among Millennials and to get general responses about their opinion according to some criteria identified while conducting literature review. Likert-type scales were chosen, because they often form the basis of opinion or attitude measurement (Peterson, 2000). Second part of the questionnaire had more precise questions about the channels used for CSR communication. The respondents were asked to choose 1 up to 3 channels from the predefined list, in which they would like or would not like to be informed about company's CSR efforts respectively. Some likert-type scales were used as well in order to obtain the opinion of the respondents about some specific characteristics of CSR communication that they deemed to be important. Also some demographic information was asked in the end of the questionnaire: age, education level, length of living in Sweden and level of Swedish language skills. These two last questions were asked because it was assumed that the preferred channels might be different for the native speakers and those who do not understand Swedish. The length of stay was thought to influence respondent's overall opinion about CSR communication in Sweden as the longer one lives in a country the more he gets to know about it and its culture.

Before distributing the questionnaire, it was pretested with five respondents and some questions were added and/or reformulated as the result. The final version of the questionnaire used for the research can be found in Appendix A.

### **3.6.3 Sampling method**

Researchers usually study a sample of the population rather than every individual. If the sample is considered to be representative, conclusions may be drawn about the whole population of interest (Adams et al, 2007). In a survey research random sampling techniques are frequently used, giving everyone in the population equal chances of being included in the sample. In this research, however, random sampling was not considered to be the most appropriate, because research questions demanded respondents who were of a certain age characteristic for Millennials and lived in Sweden. Because of the certain criteria of respondents needed, there was no purpose in trying to get answers from everyone in the population. Therefore non-probability methods were considered to be more suitable for this research. Moreover, the use of non-probability methods is justified when the sampling frame is absent (Adams et al, 2007), which is usually the case when using Internet surveys (Denscombe, 2007).

A non-probability sampling that conforms to certain predetermined criteria is called purposive sampling (Adams et al, 2007). The sample for this research has been drawn using one type of purposive sampling - judgement sampling. When using judgement sampling technique, the researcher himself or herself chooses respondents which are identified as being

representative of the population (Burns & Burns, 2008). The advantage of this sampling technique is that the researcher can use his or her prior knowledge to choose respondents (Bailey, 1994).

As it has been mentioned before, the questions of this research required respondents who had specific characteristics: certain age characteristic to Millennials and Sweden as their residence place. The age limit for participants was 30 years old as this age defines the oldest Millennials, according to the literature (Howe & Strauss, 2000). Millennials under 18 years old were not included in the sample, because of the assumption that they did not have enough purchase power to reward 'good' companies and to punish 'bad' ones. Thus, the respondents of 18-30 years old have been chosen as the most representative part of Millennials generation when it comes to analyzing their reactions to CSR communication.

As the interest of the research was directed particularly to Sweden, it was deemed important that respondents had Sweden as their residence place. However, it was not considered to be important that respondents would have Sweden as their birth place. The assumption was that because of the global nature of business environment, one does not have to be born in a particular country in order to have a competent opinion about the corporate practices in that country.

Two possible limitations for the sample emerged in a relation to research method used. Because the language of the questionnaire was English, it could exclude those respondents who do not understand English. However, because of a long-term practice of teaching English from the early age at Swedish schools, most Swedes, especially young ones, are proficient in English. Thus, the effect of this possible limitation on the overall results was considered to be minor. Another possible limitation was the fact that the questionnaire was distributed online, thus, the respondents had to be able to use Internet. However, Sweden is one of the few countries with the highest rate of Internet use (OECD, 2003), therefore this limitation was minor as well. Furthermore, one of the main characteristics of Millennials is their habit of using Internet and various technologies, thus, what can be seen as a possible limitation of the research method, it can become strength, when considering it in the context of Millennials.

One more non-probability sampling method deserves attention here, because the characteristics of it were used in this research – snowball (network or chain) method. Using this method, a small number of the samples are asked to nominate a group who would be prepared to be interviewed; these in turn nominate others and so on (Adams et al, 2007). Mostly used in the qualitative research (Gliner & Morgan, 2000), it helps to get respondents which are difficult to identify. However, some characteristics of this method proved to be useful for this mainly quantitative research as well. Namely, participants were asked to identify other respondents that conform to the criteria of age and place of residence and to

invite them to participate in the survey as well. Therefore it can be said that a mixture of non-random sampling techniques was used in this research, namely, judgement and snowball techniques.

The size of the sample usually depends on the size of the population to be sampled. However, many researchers regard 100 cases as the minimum (Bailey, 1994). Thus, the aim of this research was to get a sample of at least 100 respondents, preferably more.

### **3.7 Data analysis and presentation**

In order to be useful collected data needs to be analyzed and interpreted (Saunders, Lewis & Thornhill, 2009). The data of this research was analyzed with the help of the statistical program SPSS 19. This program was chosen because it is capable of processing various statistical analyses that are not available in Excel.

The questionnaire for this research was developed on the special website ([www.kwiksurveys.com](http://www.kwiksurveys.com)), which allowed the results to be exported directly to SPSS. Then the data for individual variables was summarized using frequency distribution function in the program. As the result, it could be seen how many respondents chose a particular option for one or another question. Another statistical function used was crosstabs, which allowed exploring the relationships between different variables.

It was decided to present the results according to the research sub-questions that the thesis was focused on. Therefore first the results about general opinion towards CSR among respondents were presented followed by the presentation of their most preferred channels for receiving CSR information. As a result, it was possible to analyze how the consumer opinion about CSR influences his/her preferred ways to be informed about a company's good deeds and to provide an answer to the main research question: how should companies communicate their CSR engagement to Millennials in Sweden in the most appropriate way?

### **3.8 Credibility of research findings**

#### **3.8.1 Validity**

Validity refers to the extent to which data collection method accurately measures what it was intended to measure or to the extent to which research findings are about what they are claimed to be about (Saunders, Lewis & Thornhill, 2009). Generally, validity of each question or group of questions is assessed rather than of the questionnaire as a whole (Bailey, 1994). In order to increase validity of the questions in this research, they were constructed as clear as possible, measuring only one thing at the time, and main definition of CSR was given to the respondents in order to avoid possible different interpretations of the main concept.

Moreover, open-ended questions provided the possibility for respondents to put the answers in their own words or to explain the choice of answer in order to decrease possible misunderstandings and wrong interpretations from the researcher's side. English being the language of the research might have had some influence in decreasing the validity of questions, however, as it was mentioned before, because of Swedes being highly proficient in English, this influence should not have been of a major impact.

### **3.8.2 Reliability**

Reliability refers to the consistency in reaching the same result when the measurement is made over and over again. When it comes to the questionnaire, pre-testing, revision and further testing of it may increase its reliability (Webb, 2002). As it has been mentioned already, before distributing the questionnaire, it was pilot-tested with 5 people. Some changes as well as reformulations of questions and possible answers were made as the result of this pilot test. In order to avoid subject or participant bias, which is one of the threats to reliability (Saunders, Lewis & Thornhill, 2009), the anonymity of the respondents were assured.

### **3.8.3 Generalizability**

Generalizability, or external validity, is achieved if the results of the study can be generalized to the larger target population (Johnson & Christensen, 2010). When using non-probability sampling methods one cannot claim that the results of such research are representative for the whole population (Bailey, 1994; Saunders, Lewis & Thornhill, 2009; O'Leary, 2010). However, according to O'Leary (2010), in such situation the broader application of the results is still possible as the indication of transferability or highlight of the 'lessons learned' that is likely to be applicable in alternative settings or populations.

Therefore, although this research is a pilot research and, thus, non-representative, it will still give some insights in CSR communication field and particularly in the sources of CSR communication that are preferred among young consumers in Sweden.



## **4 RESULTS: EMPIRICAL DATA DESCRIPTION**

*In this chapter the empirical data of the research is presented together with the most important graphs. The rest of the graphs can be found in the Appendices.*

### **4.1 Demographic data**

In total, the questionnaire was filled in by 111 respondents. 67 of them (60%) were female and 44 (40%) were male. Thus, female respondents have slightly dominated in the research.

The age distribution of the respondents was comparatively even, ranging from 19 to 30 years. The average age was 26 years. The detailed age distribution can be seen in Appendix B (Table 2).

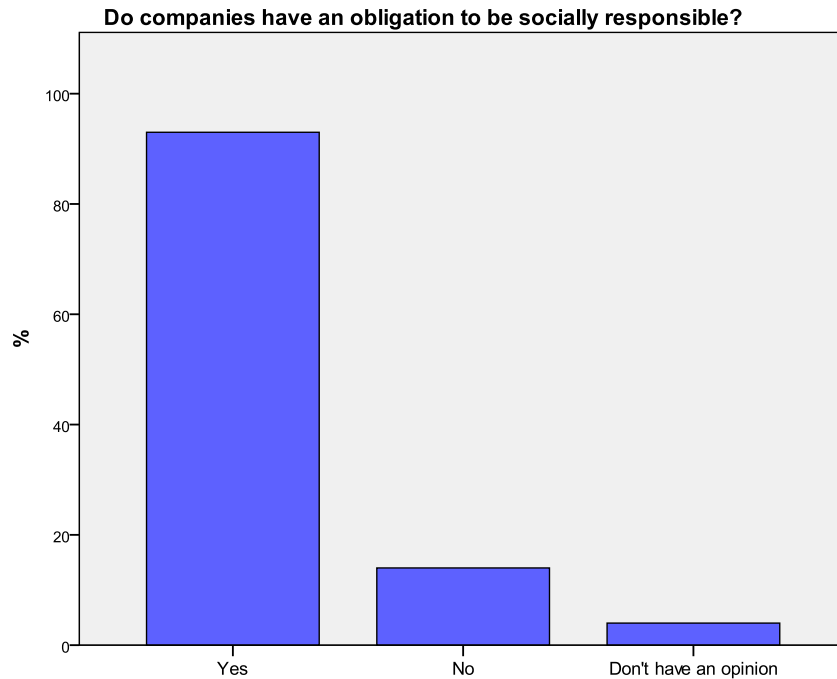
96% of the respondents had high education from university or college, 4% had secondary education from gymnasium or secondary school and 1 person indicated having a private corporate financed education.

42% of the respondents have been living in Sweden for 1 to 5 years while 37% indicated that they have been living in Sweden more or less all their lives. The amount of respondents living in Sweden for less than one year and more than 5 years were very similar – 11% and 10% respectively (Appendix B, Figure 8).

45 respondents (40.5%) were native Swedish speakers, 29 (26%) indicated having a basic knowledge of Swedish; 25 respondents (22.5%) had good knowledge of Swedish and 12 respondents (11%) indicated knowing only few words (Appendix B, Figure 9).

### **4.2 Respondents' opinion about CSR**

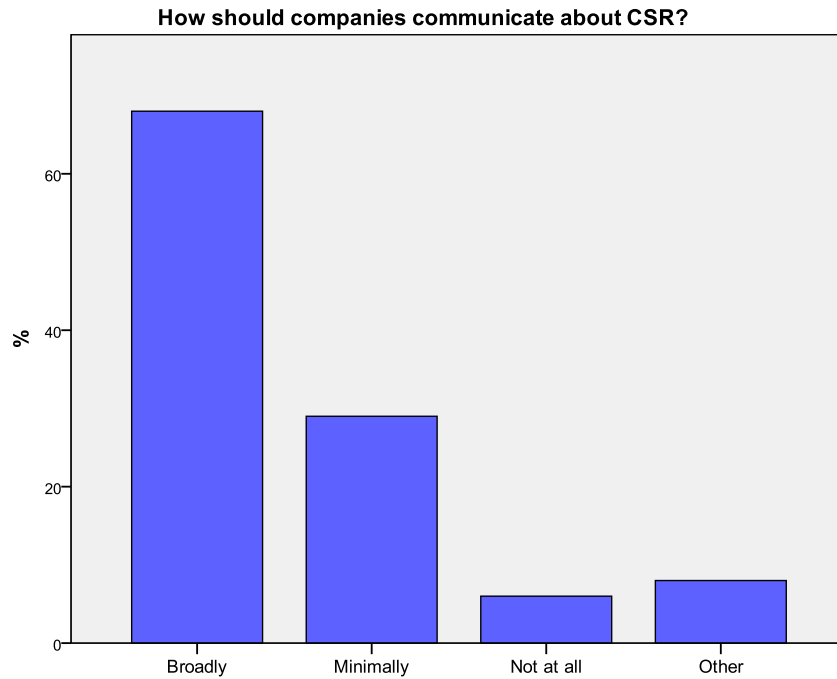
In order to get to know the general opinion about CSR concept, the respondents were firstly asked if they think that companies have an obligation to be socially responsible and to contribute to a better society and environment. 84% of the respondents thought that companies have such an obligation whereas 13% thought that they do not and the rest 4% did not have an opinion (Figure 2).



**Figure 2: Companies' obligation to be socially responsible**

When asked about who should decide which CSR issues a company should address in its policy, the answers distributed fairly equally with 50% thinking that it is up to the companies themselves to decide, 44% thinking that country's formal and informal institutions should assign the agreed responsibility for social issues to the companies and 6% choosing the option 'other' and explaining mostly that it is up to both parties to decide on such issues (Appendix B, Figure 10).

Concerning CSR communication, 61% thought that companies should communicate about their CSR activities broadly, using media coverage and corporate advertising. 26% thought they should communicate it minimally through channels like CSR reports and corporate websites. 7% chose the option 'other' and commented about the importance of finding a balance and adjusting the CSR communication strategy according to the circumstances. The rest 5% of the respondents thought that companies should not communicate about CSR at all (Figure 3).



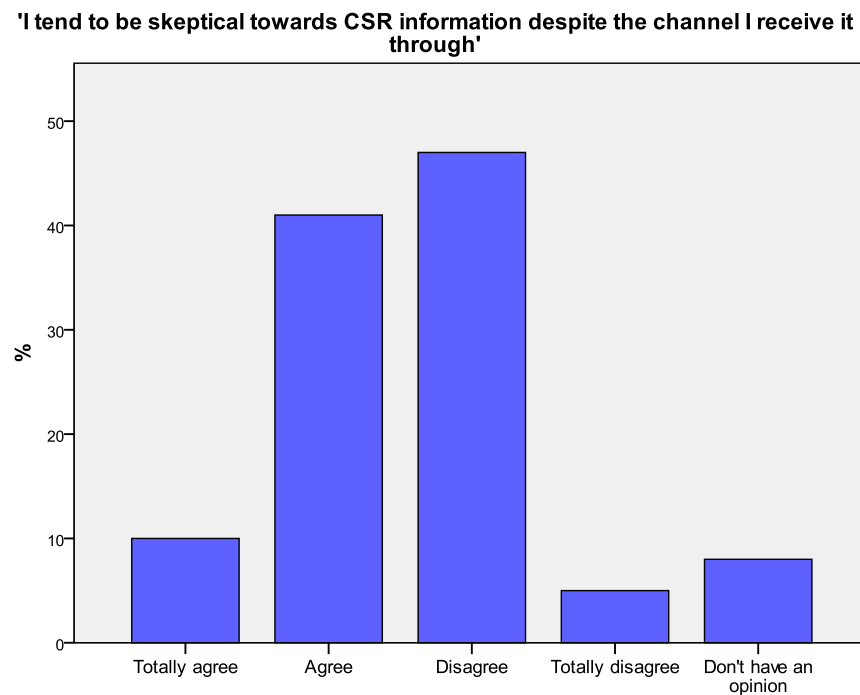
**Figure 3: Preferable degree of CSR communication**

Relatively a big part of respondents (47%) does not know or does not have an opinion about the current situation in Sweden in relation to Swedish companies communicating CSR. 27% thought that companies in Sweden communicate just enough about their CSR engagement whereas a similar proportion (23%) thought that they communicate too little on CSR issues. The rest 3% thought that companies communicate too much on their CSR activities (Appendix B, Figure 11).

The majority of respondents (60%) have not been looking for CSR information during the last 12 months. 23% were looking for CSR information for personal purposes and 17% – for professional purposes such as studies or work (Appendix B, Figure 12).

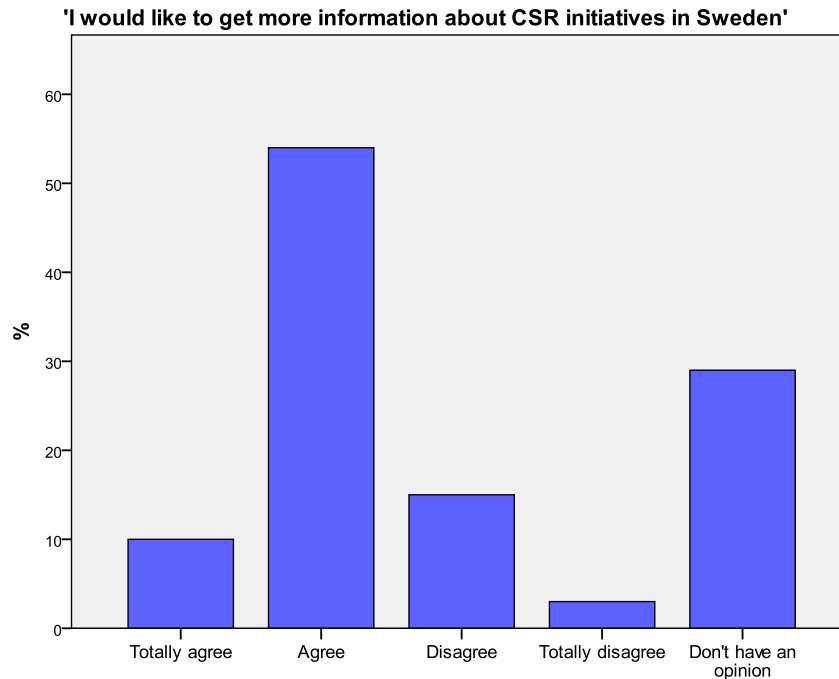
In order to measure the general level of skepticism towards CSR communication among the respondents, they were asked to evaluate few statements about their trust towards CSR information depending where they get that information from. However, the results were quite ambiguous as many respondents indicated that they tended to trust more what others say about a company than the information provided by the company itself (67.5%), but, on the other hand, they also indicated that in general they tend to trust a company in its provision of CSR information (54%). Therefore only the answers to the third statement of this question measuring the general level of skepticism towards CSR information were taken into account when analyzing the results.

47% of respondents disagreed that they tend to be skeptical towards CSR information despite the channel they receive information through while similar amount (46%) agreed with the statement. 7% did not have a clear opinion in this matter (Figure 4).



**Figure 4: The level of skepticism towards CSR information**

The respondents were also asked if they would like to get more information about CSR initiatives of the companies in Sweden. 58% agreed (including 9% who 'totally agreed') while 16% disagreed (including 3% who 'totally disagreed'). 26% did not have an opinion if they would like to get more information of this kind (Figure 5).



**Figure 5: CSR information demand**

For the vast majority of respondents (85%) it was important that a company's CSR claims would be supported and confirmed by third parties such as certification agencies or NGOs (including 48% who thought it was 'very important'). 12% felt that it was neither important nor unimportant whereas the rest 4% thought it was unimportant (Appendix B, Figure 13).

58% of respondents thought that it was important that they as consumers would have a possibility to participate in a company's CSR efforts, e.g. by donating money, buying special products, etc. 31% thought it was neither important nor unimportant whereas 12% felt that it was unimportant for them (Appendix B, Figure 14).

74% of the respondents thought it was important that companies would be willing to hear their as consumers' opinions about corporate CSR efforts and that they could participate in a dialogue with the company. 18% thought it was neither important nor unimportant whereas the rest 8% thought it was unimportant (Appendix B, Figure 15).

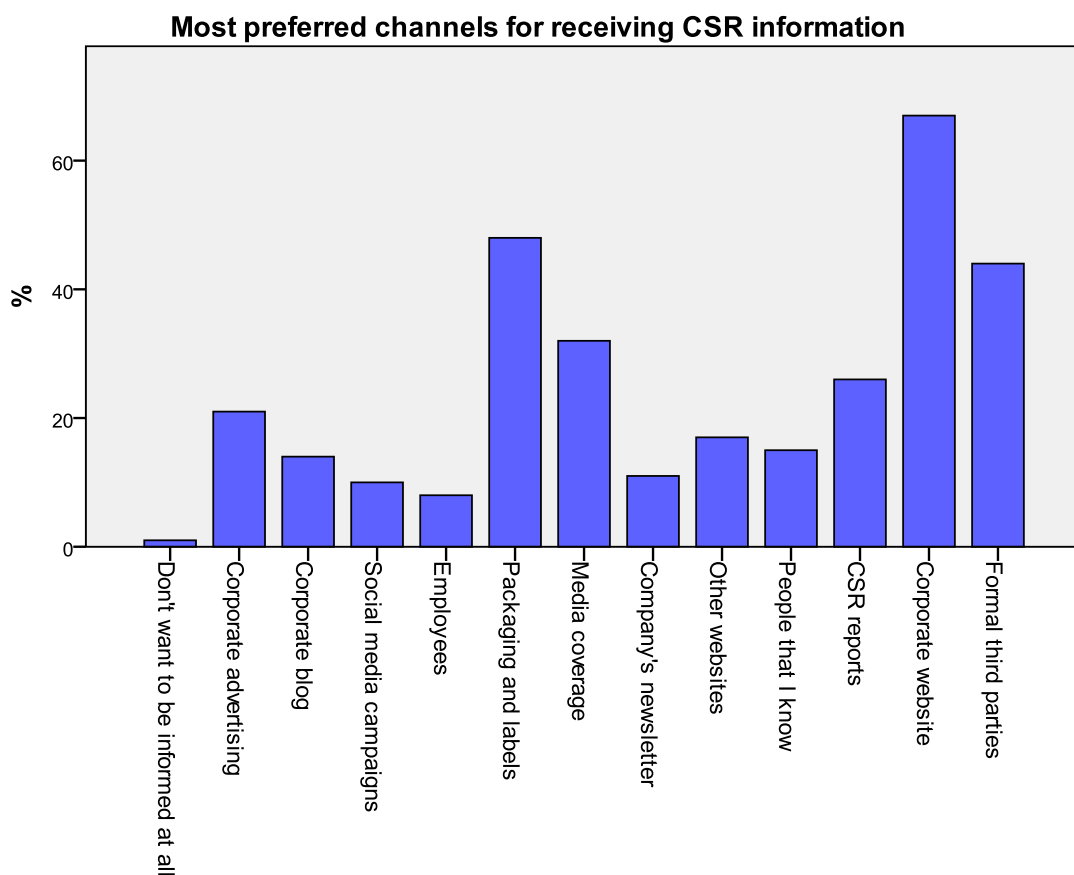
83% thought that it was important that a company should address a CSR issue that is related to its core business. 15% thought it was neither important nor unimportant and 3% felt it was unimportant (Appendix B, Figure 16).

### **4.3 Preferred channels for receiving CSR information**

After answering some questions related to their general opinion about CSR and CSR communication, the respondents were asked to choose the most preferred channels through which they would like to get CSR information. They could choose from the list of channels

which included the special sector on a company's website, company's blog, CSR reports, product packaging and labels, company's newsletter, corporate advertisements on TV, radio, Internet, etc., media coverage, formal third parties, company's employees, someone that respondents knew, independent websites and forums and various company initiated CSR campaigns in social media. Since the respondents could choose more than one answer, the total percentage exceeds 100%.

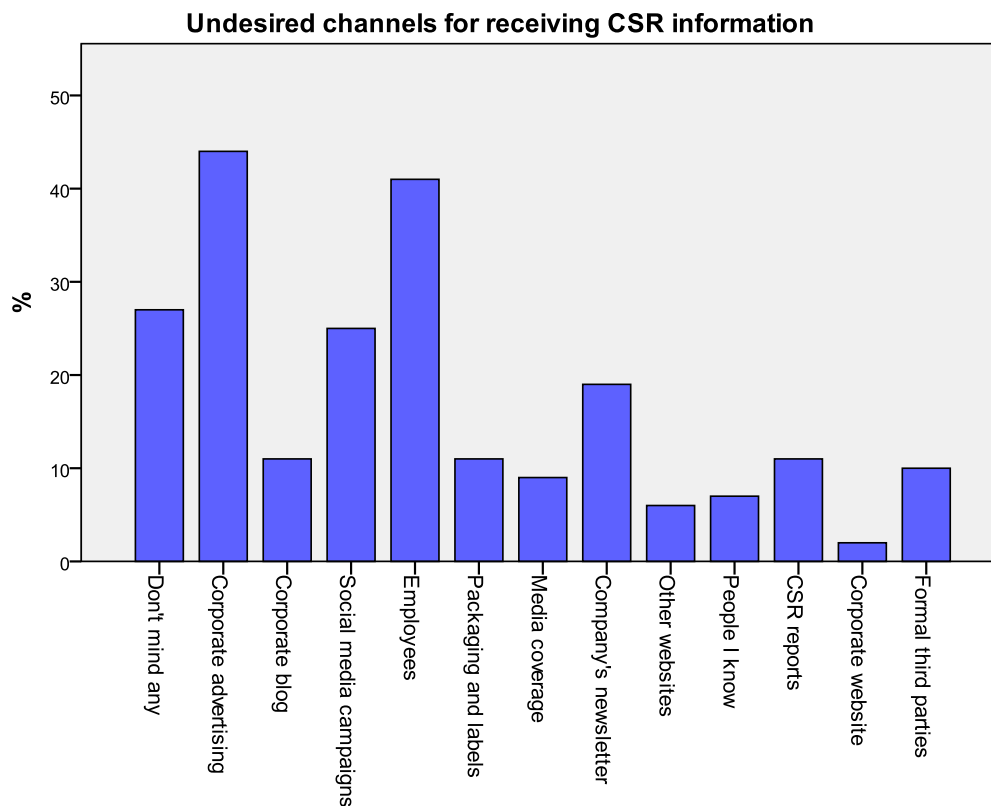
According to the results, the most preferred channel, chosen by 60% of the respondents, was the special sector on a company's website. In the second place was the product packaging and the labels (43%), in the third – formal third parties such as NGOs and certification agencies (40%). Media coverage as one of the most preferred channels was chosen by 29% of the respondents. 1 person indicated the reluctance to be informed via any of these channels. (Figure 6).



**Figure 6: Most preferred CSR communication channels**

Respondents were also asked to indicate the channels from the same list that they absolutely would not like to be informed through about company's CSR efforts. 40% chose corporate advertising and 37% chose company's employees as the least preferred channels for receiving CSR information. 24% of the respondents indicated that they did not mind being informed

through any of these channels. Similar percentage (23%) – chose various company initiated campaigns in social media as one of the least preferred channels (Figure 7).



**Figure 7: Undesired CSR communication channels**

There was a slight difference in the choice of preferred channels among people who thought that companies have to communicate about CSR widely and those who thought it should be done minimally. While both groups chose the special sector on a company's website as the most preferred CSR information channel (56% and 62% respectively), those who preferred broad CSR communication chose packaging and labels as the second most preferred option (47%) while 42% of the respondents from the group preferring minimal communication chose third parties as the second most preferred option. As the third most preferred option, the same percentage of the respondents in the first group (35%) chose media coverage and third parties while in the second group the packaging and labels were preferred (38%). Interestingly, none of those respondents who thought that companies should not communicate their CSR engagement at all, chose the available option that they would not like to be informed via any of the channels. Because of the low amount of respondents in this group it is difficult to generalize the results, but one conclusion is clear – also in this group the special sector on a company's website was unanimously chosen as the most preferred channel for receiving CSR information (Appendix B, Figure 17).

Interesting arrangement of the preferred channels was also observed in relation to an intentional search of CSR information (Question 5). Top three most preferred channels among those who have not been looking intentionally for CSR information during the last year was the special sector on a company's website (63%), the product packaging and labels (45%) and media coverage (34%). Among those who have been looking for CSR information for personal purposes, the special sector on a company's website, packaging and labels, and formal third parties were three most preferred channels chosen by 56%, 52% and 48% respectively. Top three channels among those who have been seeking CSR information for professional purposes, e.g. for studies or work, were the special sector on a company's website together with third parties (both were chosen by 60%), CSR reports (47%) and the product packaging and labels (26%) (Appendix B, Figure 18).

Statistical analysis was also made in order to relate the preference for a particular channel and respondent's habit to use the Internet for searching of information. Interestingly, although 98% of the respondents use the Internet as the primary information source, their preferred channels for CSR information included only one Internet-based channel, namely the special sector on a company's website, which was chosen by 62% of the respondents in this group. The second and third options were the product packaging with labels and formal third parties, which were chosen by 44% and 39% respectively.

There was a slight relation between respondents' level of skepticism towards the CSR information (the fifth statement of Question 6) and their preference for a particular channel. Although both groups, i.e. those who tended to be skeptical towards CSR information and those who were not, chose the special sector on a company's website as the most preferred channel (58% and 65% respectively) and the product packaging and labeling as the second (49% and 40% respectively), the third preferred channel was different. Skeptical respondents chose formal third parties (45%) while non-skeptical respondents chose media coverage (37%) as the third most preferred option.

Concerning the perceived importance of the ability to participate in a company's CSR initiatives, a slight difference in the choice of preferred channels was found between those respondents who thought that the ability to participate was important and those who thought it was not important. Respondents in favor of participation chose the special sector on a company's website (64%), the product packaging and labels (45%) and formal third parties (37.5%) as the most preferred channels. Those who thought that the ability to contribute to a company's CSR initiatives was unimportant chose formal third parties (61.5%) and the special sector on a company's website (46%) as the first and the second most preferred option. The third option was not clear because few options were chosen by the same amount of the respondents (31%) – CSR reports, the product packaging with labels and media coverage.



Concerning the perceived importance of being able to participate in a dialogue with a company about its CSR, there was a slight difference in the choice of preferred CSR channels between those who thought that it was important that company would want to listen to them and those who thought it was unimportant. Those in favor of the dialogue chose the special sector on a company's website as the most preferred channel (67%) while those who thought it was not important chose product packaging and labels together with formal third parties (both 67%). As for the second and third most preferred channel, those in favor of the dialogue chose packaging and labels (41%) and formal third parties (36.5%). Those who thought it was unimportant that a company would be willing to hear their opinion concerning CSR chose the special sector on a company's website (56%) and CSR reports (22.2%) as their second and third preferred option.

Both male and female chose the special sector on a company's website as the most preferred channel (59% and 61% respectively). However, there was a small difference concerning the preference of the rest of the channels. Female respondents chose product packaging and labels as the second preferred option (51%) and formal third parties as the third (39%) while male respondents chose third parties as the second most preferred option (41%) and packaging with labels as the third (32%) (Appendix B, Figure 19).

There were no significant differences in the choice of preferred CSR channels in relation neither with how long respondents have been living in Sweden nor with their level of Swedish. All the groups chose the special sector on a company's website as the most preferred channel. Interestingly, only one group, namely those who indicated knowing only few words in Swedish, chose advertising as the second preferred channel (42%). However, because of the low number of respondents in this group it is difficult to make any conclusions about this choice.

## 5 ANALYSIS OF THE RESULTS

*In this section the results of the empirical research are discussed in a relation to the literature and the research question.*

The purpose of this research was to identify how companies should communicate their CSR engagement to Millennials in Sweden in the most appropriate way. Specifically, the focus of the research was concentrated on two main topics – the general opinion about CSR among Millennials in Sweden and the most preferred channels through which they would like to be informed about companies' CSR engagement. The following analysis therefore revolves around the research question and is divided into two parts: a discussion about respondents' general opinion towards CSR and the part about their preferred channels for receiving CSR information. After each of the parts a small summary is given. In addition, the most important insights throughout the text are bolded to emphasize their importance.

### 5.1 Analysis of respondents' opinion about CSR

#### 5.1.1 Do companies have an obligation to be socially responsible?

As the results of the empirical research show, the vast majority of Millennials who answered the questionnaire (84%) thinks that companies are obliged to contribute to a better society and environment, i. e to be socially responsible. This result corresponds with the ideas of Ng, Schwitzer and Lyons (2010) as well as Alch (2000), who said that as the youngest generation Millennials tend to care about the poverty, environment and the global issues in general and they are likely to have higher expectations for social responsibility and ethical behavior from the companies than the previous generations. Moreover, as Howe and Strauss (2000) noticed, they are also more willing than other recent generations to acknowledge the importance of their own personal choices and actions. This idea is highly reflected in the following comments about companies' obligation to be socially responsible:

***Everybody** has [an obligation], whether a company or an individual (female, 29).*

*I think that **everyone** in a society **has a responsibility** for each other, big companies or commoners, it doesn't matter. We are all part of the world and **everyone can contribute** with something. Companies often have a lot so they can tribute a lot (female, 26).*

The above comments also reflect the societal approach to CSR, discussed in the theory part of this thesis, where companies are viewed as an integral part of the society and are considered to be responsible to a society as a whole (Committee for Economic Development, 1971 in Nielsen and Thomsen, 2007, p. 28).

However, a certain level of skepticism towards the actual CSR practices of the companies is also reflected in some comments. Some of the Millennials, who think that companies have an obligation to be socially responsible, also think that:

*...however, most companies are money-oriented (male, 26).*

*...however they rarely do as much as they should (male, 28).*

*They should have this obligation but don't always do it though (female, 27).*

On the other hand, it is important not to conclude from these comments that a general position towards CSR among the respondents was the one of skepticism. The answers to question no. 6, measuring the general level of skepticism towards CSR communication, show that in fact nearly half of the respondents (47%) indicated that they were *not* skeptical towards CSR communication in general whereas practically the same percentage of the respondents (46%) indicated being skeptical. The results partially support the claim that in Europe, where the state has traditionally been responsible for social issues, public tends to be skeptical of the firms when they become involved in social affairs (Maignan and Ralston, 2002; Lewis, 2003). However, as nearly half of the respondents indicated not being skeptical towards CSR information, the result can be seen in correspondence with Dawkins (2004) who argues that it is possible that companies overestimate the level of public skepticism towards the credibility of their CSR information. He claims that getting the CSR message through is a bigger barrier to effective CSR communication than overcoming consumer skepticism.

Furthermore, the above mentioned comments convey a feeling that male respondents are more skeptical towards the real CSR practices of the companies and think that although they have the obligation to be socially responsible, they rarely engage in CSR with a genuine purpose. Statistical analysis has indeed confirmed this assumption. 47% of male respondents agreed that they tended to be skeptical towards CSR information despite the channel that they receive that information through whereas among females the answer rate was 43%.

Consumer skepticism at least partially can be explained according to the persuasion knowledge model (PKM) developed by Friestad and Wright (1994). According to them, as consumers grow older and become more educated, they usually become more knowledgeable about various marketing tactics and develop a coping mechanism to deal with them. It especially applies to Millennials, because from the childhood they are subjected to many commercial messages and begin to recognize hypocrisy very early. Therefore they learn to be skeptical toward business world and to assume that most of the information reaching them as consumers is intended to sell them something. From the comments in the answers to the questionnaire it is obvious that most of the respondents recognize that companies use CSR communication as a public relations vehicle in order to create a positive corporate image and to affect the consumers' buying behavior, and it increases their overall skepticism. Many mentioned in the comments that companies are primarily profit-oriented and, thus, their genuine engagement in CSR issues is questionable. As few respondents noted:

*Money always leads the way for the companies. If there are no profits, I doubt if they can really be honest and do this job well. And of course they can always lie or only tell you the good parts without showing the bad ones (male, 26).*

*I believe that these company initiatives are not always goodwill as the cost could be added to the product and paid for by the customers. A good initiative is when the company "gives food to the hungry rather than throwing it away" (male, 30).*

*CSR activities should become a norm. Therefore, they should not be used as a source of competitive advantage (female, 24).*

Therefore it might be helpful for a firm to acknowledge its business interest in CSR (Forehand & Grier, 2003) and to present CSR information in a balanced way, i.e. including both favorable and unfavorable aspects of its operations (Basu & Palazzo, 2008) in order to enhance the credibility of CSR messages and overcome consumer skepticism. Similarly, Du, Bhattacharya and Sen (2010) found that stakeholders are capable of perceiving mixed CSR motives and, interestingly, their reactions to CSR are more positive when they attribute a company's CSR activities to both extrinsic and intrinsic motives. Moreover, specific information detailing the impacts of the firm's CSR initiatives can help stakeholders to distinguish between firms that are truly committed to CSR from those that simply pay lip service to the concept (Pomering & Johnson, 2009). **Therefore companies in Sweden could benefit from these advises and enhance the credibility of their CSR communication by presenting a truthful, balanced CSR information, including both positive and negative aspects of their business operations and acknowledging their business interest in them while at the same time stressing the benefits for the society and environment.**

13% of the respondents thought that companies do not have an obligation to be socially responsible. However, they agreed that it 'would be nice' or would help the company to attract customers:

*Would be nice of them but I don't understand why would they have an obligation (female, 25).*

*Not an obligation, but might be useful to attract customers (male, 30).*

*They have an obligation not to make it worse but are under no obligation to improve society/the environment (male, 30).*

*Obligation no, but I try to use companies that chose to [be socially responsible] (female, 28).*

The last two comments, therefore, correspond with the literature about positive consumer reactions toward companies engaging in CSR. The female respondent who tries to buy products from the socially responsible companies illustrates the claim that consumers do take CSR information into account when buying (Creyer & Ross, 1997; Bhattacharya & Sen, 2004) and that positive assessments of a company engaging in CSR and evaluation of its

products can ultimately lead to purchase behavior (David, Kline & Dai, 2005). Also the comment is in accordance to a global survey, which found that 46% of Swedish consumers prefer to purchase products and services from a company with a strong environmental reputation (Environmental leader, 2007).

Therefore it can be assumed that even those consumers, who think that companies do not have an obligation to be socially responsible, may take CSR information into account when buying and it can influence their perceptions of a company and/or its production in a positive way.

### 5.1.2 Who should decide about CSR issues worth addressing?

Half of the respondents (50%) thought that it is up to the companies to decide which CSR issues to address in their policy. On the other hand, a similar number of respondents (44%) believed that country's formal and informal institutions should assign the agreed responsibility for social issues to the companies.

The result can be related with the idea of Howe and Strauss (2000) that most Millennials are far more trusting than their parents that large national institutions can do good for their and the nation's behalf. It can also be related with a long Swedish tradition of national public institutions (and not business companies) being responsible for social affairs.

However, some respondents paid attention to the profit-orientation of companies. For example, one male (28 years old) commented that companies should decide for themselves, because if the government would assign some responsibilities to them, it could be often the case that companies could not profit from them. And when companies cannot profit, the respondent argues, they cannot be trusted to be responsible. It is interesting to notice that the author of this comment acknowledges the business interest of the companies engaging in CSR, however, as the literature suggest, he also believes that it is possible to serve both the needs of business and the society (Ellen, Webb & Mohr, 2006; Bhattacharya & Sen, 2004).

6% of respondents chose the option 'other' and explained mostly that it is up to both parties to decide which CSR issues a company should address. Some of the respondents were aware of cultural differences affecting CSR in correspondence with the researchers who claim that businesses' approach and stakeholders' reactions to CSR vary across different countries (Adams, Hill & Roberts, 1998; Maignan & Ralston, 2002; Sobczak, Debucquet & Havard, 2006; Schlegelmilch & Pollach, 2005; Morsing, Schultz & Nielsen, 2008). As one female respondent commented:

*I think it is up to both. I'm thinking here about international companies that operate in **different countries** and several parts of the world where the **CSR issues** that need to be addressed **differ**' (female, 25).*

Other respondents thought that it is important to keep a balance and that both companies and country's formal institutions should communicate and collaborate in deciding which CSR issues to address in order to make sure that all necessary CSR areas are covered:

*I think the government should provide the company with the areas that need more attention and companies should choose among these in order to keep some **balance**, and make sure that all companies do not choose the same field... (female, 29).*

*I think both statements are right. Country's law should govern basic responsibilities (male, 27).*

Yet another approach to keeping a balance and collaborating between companies and other formal institutions in deciding about CSR issues worth addressing recognizes the influence of the sector a company is operating in:

*It would be reasonable for a company in a rather **neutral field** to decide for themselves to whom and which initiatives they would want to devote their CSR budget and resources. However, there is definitely a case for state and other bodies to advise and/or require **certain companies** to comply with CSR efforts. An example, albeit extreme, may be the cigarette manufacturer who is forced to have a fund for lung cancer suffers or a fast food company who is advised to donate to a heart disease foundation (female, 25).*

According to the above comment, companies operating in so called sin industries (producing tobacco, alcohol, weapons, pornography, etc.) should be more controlled by governmental and other bodies in relation to CSR. This opinion corresponds with legitimacy theory and the fact that stakeholders primarily attribute negative attention to companies significantly impacting the environment and society as a result of their business operations. Bhattacharya and Sen (2004) also agree that belonging to such industries is likely to decrease the effect of CSR initiatives. **However, as the above comment implies, the companies operating in sin industries could benefit from partnerships with certain state bodies or experts in deciding which CSR issues to address.**

### 5.1.3 How should companies communicate CSR?

As it was already mentioned, according to Morsing and Schultz (2006), people in all three Scandinavian countries are uncertain with respect to how companies should communicate their CSR initiatives – in more or less conspicuous channels. The results of this research confirm this claim as only a bit more than a half of the respondents (61%) thought that companies should communicate about their CSR activities broadly, using media coverage and corporate advertising. This is not a significantly high rate that it would be possible to claim that most of consumers in Sweden think that companies should communicate CSR widely. However, a certain shift towards expectations of more pronounced CSR communication can be observed. In comparison, in 2005 a similar question was given to people in Sweden and there were 47% of the respondents who thought that companies should publicize their good deeds broadly through corporate advertising and press releases (Morsing & Schultz, 2006).

Of course, these two researches cannot be compared on the same basis because of the different samples used, but the tendency towards acceptance and expectation of broader CSR communication is obvious. The similar shift, just from companies' position has been noticed by Windell, Grafström and Göthberg (2009) as well as Arvidsson (2010), who found that companies in Sweden have started to communicate their CSR engagement more intensively than before.

26% of the respondents thought that companies should communicate CSR minimally through CSR reports and corporate web sites. If compared to already mentioned research in 2005, the number of respondents who thought the same was much higher – 46% (Morsing & Schultz, 2006). The results, thus, can be viewed as an indication of a recent move from implicit towards more pronounced form of CSR in Europe as suggested by Beckmann, Morsing and Reisch (2006) as well as Matten and Moon (2004).

When it comes to respondents thinking that companies should not communicate about their good deeds at all, the results of this research and the one made in 2005 are quite similar – 5% and 8% respectively (Morsing & Schultz, 2006), however a trend towards broader CSR communication expected by consumers can be seen as well. One respondent of those who thought that companies should not communicate about their CSR engagement reasoned in the following way:

*They shouldn't communicate it since it should be "common practice", communication is redundant (male, 26).*

This comment reflects the Swedish approach to CSR as it is described by De Geer, Borglund and Frostenson (2009), who claim that the public sector in Sweden is financed by the highest tax pressure in the world and, therefore, social aspects are taken care of by the state. Moreover, in Sweden there is a long tradition of transparency in the public sector (Tagesson et al, 2009) which can make people to expect the same transparency from business companies without the necessity to communicate about it.

7% of the respondents suggested that companies should find a balance in its CSR communication and depending from the circumstances adjust the communication strategy:

*Find a **balance** - not to show off but still to communicate enough (female, 23).*

*It **depends on the business area** of the company and it'll be sufficient for that company if it can communicate with its consumer/client base efficiently (male, 24).*

They were also aware of the strategic aspect of CSR, analyzed by various researchers, who claim that companies must think strategically about CSR communication (Podnar, 2008; Arvidsson, 2010):

*Because most of companies use CSR as their marketing strategy, it **depends on their strategies** to publish or not. Sometimes it's not important at all (female, 23).*

*It is **up to the company** to decide if they see any value in communicating it to the customer (male, 23).*

Thus, CSR communication is seen as a part of a company's overall (marketing) strategy by some of the respondents. Also, it proves that Millennials have a high level of persuasion knowledge (Friestad & Wright, 1994) and they understand that companies communicate about their CSR activities in order to primarily enhance their reputation and image. Furthermore, they know that sometimes CSR communication does not reflect the reality of a company's efforts to engage in CSR. As one respondent notices:

*A lot of companies use "branding" to give themselves a **positive image** that does not fully reflect reality. For example a coffee manufacturer heavily brands their fair trade coffee, to promote a more positive image which does not reflect reality, when the percentage of sales of that specific coffee are a fraction of the company's profit, but the gain in positive image is much greater. There should be **good information** but it should also be **representative and truthful**, of the companies' real efforts (male, 28).*

This respondent nicely agrees with Tixier (2003), who said that only CSR communication about genuine CSR engagement will bring the advantages of appropriate communication to a company.

Different communication strategies adapted to different stakeholder groups were also acknowledged by some of the respondents:

*A company should definitely communicate its positive efforts to **shareholders** and the like through corporate reports etc and to **customers** through their website etc. However, if in compliance with any other corporate strategy or branding objectives, I see no problem with overt communications efforts being taken out around those efforts. For example, if a bank sponsors a junior sports championship, I see no problem with them taking out mass media advertising around this fact (female, 25).*

One more interesting comment was given in relation to positive vs. negative CSR information:

***Poor performance** on this area should be reported **by external audits**, not how well these companies do with their social responsibility activities. They just use such publicity for marketing reasons (male, 27).*

This opinion reflects the claim of Sen and Bhattacharya (2001), who said that consumers are more sensitive to negative rather than positive CSR information. More specifically, all consumers react negatively to negative CSR information, whereas only the most supportive of CSR react positively to positive CSR information.



Therefore companies should not over-accentuate their good deeds and present only representative and truthful information. **Particularly companies in Sweden should think strategically about the breadth of their CSR communication and choose appropriate communication channels accordingly as nearly one third of the respondents indicated a preference for minimal CSR communication. However, companies should not limit themselves to CSR reports or corporate websites and try to experiment with other channels as two thirds of the respondents expects a company to communicate its CSR engagement broadly.**

#### **5.1.4 CSR communication in Sweden**

A relatively big part of the respondents (47%) does not know or does not have an opinion about the degree to which companies in Sweden communicate on their CSR. This tendency may be partially explained by Pomeroy and Dolnicar (2009), who claim that lack of consumer awareness and, thus, response to company's CSR initiatives results from the lack or the low effectiveness of CSR communication from companies' side. This could be in agreement with Frostenson, Helin and Sandström (2011), who concluded that CSR communication of Sweden's 206 largest firms was not very much adapted to customers. Also the idea of Nielsen and Thomsen (2007) that many organizations are unprepared for the task and communicate their CSR inconsistently seems relevant in the light of the above mentioned results.

The fact that nearly half of the respondents do not have a clear image of CSR communication practices in Sweden implies that companies are not doing their best to inform the consumers. Therefore in relation to previously discussed results, **companies in Sweden should focus on increasing consumer awareness about their CSR initiatives if they want to reap the benefits of such communication.** It does not necessarily mean increasing the level of CSR communication; it might be increasing the effectiveness of current CSR communication practices by making sure that CSR information is consistent and adapted to consumers' informational needs.

#### **5.1.5 Demand for CSR information**

58% of the respondents indicated that they would like to get more information about CSR initiatives of the companies in Sweden. This index is not as high as one could have expected after indications in the literature about consumers increasingly wanting to receive information about companies' good deeds and much lower than indicated by Apéria, Bronn and Schultz (2004), who found that in Sweden 95% thought that companies should communicate their good deeds. Relatively a large amount of respondents (26%) did not have an opinion concerning this question while 16% disagreed.

Therefore the results seem to reflect the fact that CSR information is not always something that consumers want to know, let alone demanding it from the companies. The total

proportion of respondents who did not have an opinion (26%) and those who did not agree that they wanted to receive more CSR information (16%), thus, 42% in total, is similar to the proportion of respondents who claimed that they tend to be skeptical towards CSR information despite where they receive that information from (46%), therefore it can be assumed that skepticism towards CSR communication in general is the main obstacle to consumers' intention to receive more CSR information.

In addition, the results of the research confirmed that audiences are not proactively looking for CSR information (Dawkins, 2004) as 60% of the respondents have not been looking for CSR information during the last 12 months. However, with 61% of the respondents thinking that companies should communicate broadly about their CSR engagement and 23% looking for CSR information for personal purposes, it can be assumed that in the future more and more people will start to look for CSR information.

Therefore it is a challenge for the companies in Sweden to find the appropriate ways to communicate to the consumers something that they do not necessarily want to know, such as CSR.

### **5.1.6 The role of third parties in CSR communication**

The results of the research show that only 4% of the respondents think that it is not important that a company's CSR claims would be supported and confirmed by third parties such as certification agencies or NGOs. The vast majority (85%) thinks that it is important.

The results are in agreement with the most researchers who advise companies to use third parties verification to enhance the credibility of their CSR messages (Du, Bhattacharya & Sen, 2010; Stoll, 2002; Dando & Swift, 2003; Yoon, Gurhan-Canli & Schwarz, 2006). Third party's verification is important, because trust is a key element of credibility and companies should use various mechanisms available to assure the public that the CSR information provided is true and fair (Dando & Swift, 2003). Interestingly, Cerin (2002) found that only 31% of environmental reports produced in Sweden during 2000 were verified by a third party.

From a company's view, one of the main obstacles to a third party verification is that there are usually at least several NGOs and national bodies, trying to influence reporting in their preferred way (Cerin, 2002). Moreover, various certification procedures by external audits are usually very expensive.

Because verification by third parties is considered to be important by the respondents in this research, it can be assumed that unverified CSR reports and other CSR communication material would be perceived as having low credibility and, therefore, hindering the overall effectiveness of CSR communication.

Therefore as the official external audits and certification procedures require a lot of expenses, **companies in Sweden could benefit from more creative ways of including third parties in their CSR communication**, e.g. through forming a partnership with an organization that is well known for its CSR reputation and is likely to be perceived by stakeholders as a more credible source for CSR information.

#### **5.1.7 Perceived importance of being able to participate in a company's CSR efforts**

According to Dando and Swift (2003), social reports without actual stakeholders' involvement into CSR practices fail to meet the expectations of transparency and accountability. One of the best ways to include consumers in company's CSR efforts is suggesting them to support a certain cause by purchasing special products. The company promise then to contribute a specified amount of the paid price to a designated cause, e.g. cancer fund. This strategy is called 'cause related marketing' (Baghi, Rubaltelli & Tedeschi, 2009).

Although companies are advised to include consumers into their CSR efforts (Du, Bhattacharya & Sen, 2010), there is no clear information on the degree to which consumers would like to participate in such initiatives. Thus, this was one of the reasons to ask the respondents in this research about the importance of being able to participate in a company's CSR initiatives via donating money or buying special products, etc. More than a half of respondents (58%) agreed that it is important while 31% did not have a clear opinion. This index is not as high as it could have been expected from Millennials, who, according to the literature 'would impose extra civic duties on themselves, including taxes', to improve the environment (Howe & Strauss, 2000, p. 216). Skepticism again could be assumed to have a key influence on the willingness to participate in a company's CSR initiatives. On the other hand, however, one third of the respondents did not have a clear opinion; therefore a deeper research should be done in order to make valid conclusions on this point.

Following the discussion, an assumption can be made, that **cause related marketing could be a good strategy for companies in Sweden to include consumers into their CSR initiatives and at the same time raise their awareness of the company's CSR profile.**

#### **5.1.8 Perceived importance of a dialogue with a company about CSR**

If the number of the respondents willing to participate in a company's CSR efforts was not relatively high, many more of them (74%) feel that it is important that they could participate in a dialogue with a company and that a company would be willing to hear their opinion concerning CSR practices.

The result is in agreement with the authors who suggest that companies should use stakeholder involvement strategy to gain maximum benefits from their CSR activities (Du,

Bhattacharya & Sen, 2010; Morsing & Schultz, 2006). The dialogue with stakeholders has to be strategic and ongoing, using two-way symmetrical communication and the company must be willing to change according to the feedback it receives.

Furthermore, some authors suggest that companies should adopt a role of social-issue educator in communicating with their consumers (Pomeroy & Dolnicar, 2009). This can be related with resource matching theory, according to which, advertising effectiveness is highest when people have the available cognitive resources that are required to process the message (Keller & Block, 1997). Therefore in order for CSR communication to be effective, the consumers need to possess some knowledge about social issues that companies address and their importance. By engaging in a dialogue, a company can inform and educate its consumers and increase their awareness of social and ecological stakes of their choice (Tixier, 2003).

**Therefore companies in Sweden could benefit from implementing educational aspects in their CSR communication**, e.g. providing consumers with a wider context for the CSR issues that the company is addressing. Moreover, **companies have to be willing to engage in a dialogue** with the consumers and provide them with possibilities to do that, e.g. on the corporate website or blog.

### **5.1.9 Perceived importance of a congruence between a CSR issue and a company's core business**

A vast majority of respondents (83%) thought that a company should address a CSR issue that is related to its core business.

The result is in agreement with Dawkins' (2004) claims that in order to be perceived as credible, companies have to implement consistent CSR programs and the causes they support have to be seen to fit with their brands and overall corporate behavior. According to Cone Inc. (2007), stakeholders often expect companies to sponsor only those social issues that are congruent with their core corporate activities. Therefore if there is congruence between the social issue and company's core business, it should be highlighted in CSR communication. If a company lacks this congruence, it should provide consumers with a rational explanation for its CSR initiatives (Du, Bhattacharya & Sen, 2010).

Following this discussion, **companies in Sweden should address only those CSR issues that are seen to fit with their core business**. Otherwise, consumer skepticism may increase, because the company's motives to address CSR issues that are not relevant to its core business could seem suspicious.

### **5.1.10 A short summary of the respondents' general opinion about CSR**

The vast majority of the respondents thought that companies are obliged to be socially responsible; however, a certain level of skepticism about the authenticity of their CSR claims was also present in the answers. Nearly half of the respondents indicated being skeptical towards CSR information despite the channel they receive that information through; another half did not show this tendency. Furthermore, the respondents were not sure about to which degree companies should communicate about their CSR engagement: only a bit more than a half of the respondents thought that companies should implement a broad CSR communication while others thought it should be done minimally or not done at all. Many respondents did not have a clear picture about CSR communication practices in Sweden and have not been looking for such information during the last year; however quite many of them indicated that they would like to receive more information about CSR initiatives of the companies in Sweden. Concerning the content of CSR messages, the vast majority of the respondents thought that companies should address CSR issues that are related with their core business and that their CSR claims should be verified by third parties such as certification agencies. In addition, quite many respondents thought that it is important to be able to participate in companies' CSR initiatives. Even more of them felt that it is important to be able to participate in a dialogue with a company about its CSR initiatives and that a company would be willing to hear their opinion. Having said this, it becomes clear that companies in Sweden are presented with a challenge in communicating about CSR and especially in choosing the right channels for disseminating their CSR information.

## **5.2 Analysis of the preferred channels for receiving CSR information**

### **5.2.1 An overview of the most preferred CSR communication channels**

According to the results, three the most preferred channels for receiving CSR information among the respondents were:

- A special sector on a company's website (60%)
- Product packaging and labels (43%)
- Formal third parties such as certification agencies and NGOs (40%)

The results are partially in agreement with Dawkins (2004), who claims that European public prefer to be informed about social activities of companies on the product/label itself, through voluntary reporting and through editorial coverage on television and in the press. Jušcius and Snieška also notice that package is an important way of giving information and it also can serve the purposes of CSR (Jušcius & Snieška, 2008).

Concerning the most preferred CSR communication channel among the respondents, namely the special sector on a company's website, it has to be mentioned that the importance of the Internet and corporate websites in organizational and particularly in CSR communication has

been recognised by many researchers (Esrock & Leichty, 1998; Maignan & Ralston, 2002; Snider, Hill & Martin, 2003; Rolland & O'Keefe Bazzoni, 2009; Moreno & Capriotti, 2009) and their advantages and disadvantages have been already discussed in the theoretical part of the thesis. In relation to Millennials being technology savvy and frequent Internet users, it is not surprising that the respondents expect and prefer to find CSR information on corporate websites. Indeed, absolute majority of the respondents (98%) use internet as the primary source for information. What is worrying in this context is that, according to the recent data, Swedish companies lack skills in communicating CSR on the corporate websites compared to other European countries (H&H Webranking, 2010). **Therefore, it is very important for companies in Sweden to improve their communication on corporate websites in relation to CSR.** Because as many as 85 per cent of the respondents feel that it is important that CSR information would be verified by a third party, Swedish organizations could benefit from providing links on their websites to other organizations who are perceived credible by consumers.

It is interesting and worth noting that although Millennials are considered to take the Internet for granted and primarily value information provided by peers (Syrett & Lammiman, 2004), communication channels such as blogs and social networking sites were not preferred as CSR communication channels. They were chosen only by 13% and 9% respectively. In fact, various company initiated CSR campaigns in social media was found to be one of the least preferred CSR information sources. This was indicated by 23% of the respondents. It can be assumed that the respondents like to use social networking sites for their personal entertainment and therefore do not want to be disturbed by corporate CSR messages. Moreover, despite the argued suitability of blogs for CSR issues (Fieseler, Fleck & Meckel, 2010), the results of the research show that the actual readability of corporate blogs is very low and this channel is not among the most preferred ones.

Top three most preferred channels among those who have not been looking intentionally for CSR information during the last year was the special sector on a company's website (63%), product packaging and labels (45%) and media coverage (34%). With the exception of the corporate website, the rest of the channels mostly preferred by this group of respondents, do not require a lot of efforts from consumers to receive CSR information. **Therefore, they could be useful for companies communicating something that consumers are not necessarily interested in such as CSR initiatives.**

### **5.2.2 Preferred degree of CSR communication and the choice of channels**

It is interesting to note that although 61% of the respondents thought that companies should communicate about their CSR broadly by using media coverage and corporate advertising, these two communication channels do not appear to be the most preferred ones. Both groups of the respondents, i.e. those who thought that companies have to communicate about CSR

broadly and those who thought it should be done minimally, chose the special sector on a company's website as the most preferred channel (56% and 62% respectively).

The differences between two groups in choosing different preferred channels as a second and third option are worth noticing. Respondents in favor of a broad CSR communication chose product packaging and labels (47%) and media coverage (35%) as a second and third option respectively. It can be assumed that this group does not mind to be informed through company-controlled channels (corporate website and product packaging), but it could be useful for a company to have a third party such as media to deliver a CSR message as well, because media messages have far more impact than if the company has been author of the message (Tixier, 2003). Interestingly, the relation between general skepticism towards CSR messages and the choice of preferred channels for receiving CSR information can be noticed. Respondents, who indicated not being skeptical towards CSR communication, preferred the same channels as those who believed that companies should communicate about their CSR initiatives broadly, i.e. corporate websites (65%), product packaging and labels (40%) and media coverage (37%). **Therefore conclusion can be made that general consumer skepticism towards CSR influence the choice of preferred CSR information sources and only consumers with low level of skepticism may prefer broad CSR communication, e.g. using media coverage.**

Respondents in favor of minimal CSR communication chose third parties (42%) and product packaging (38%) as the second and third most preferred CSR communication channel respectively. The result indicates that this group prefers third parties as a source for CSR information, but does not mind being informed through company-controlled product packaging and labeling. As products in many cases need to be certified by third parties in order for a company to be able to use special labels, e.g. eco-labels, this choice supports the idea about this group of the respondents being a bit more cautious than the other group concerning CSR communication. The preferred CSR channels chosen by this group are very similar to the ones chosen by the respondents, who indicated being skeptical towards CSR communication. Skeptical respondents chose corporate websites (58%), product packaging and labeling (49%) and third parties (45%) as their most preferred CSR information channels. **Therefore, the previously made conclusion about the level of skepticism towards CSR information influencing the choice of preferred channels can be supported by this result.**

Interestingly, none of those respondents who thought that companies should not communicate their CSR engagement at all, indicated they would not like to be informed via any of the channels. Although it is difficult to generalize the results of this question, it is clear that this group also chose a special sector on a company's website as the most preferred channel for receiving CSR information. Thus, the results of this question seem to be a little bit contradictory, however in agreement with a literature, where CSR communication challenges

are discussed (Pomeroy & Dolnicar, 2009; Bhattacharya & Sen, 2004, etc.). **The ambiguous result only supports the fact, that CSR communication is a sensitive matter and that consumers may possess contradictory opinions about it.** As Schultz and Wehmeier (2010) nicely put it, the concept of CSR represents a dynamic continuum of competing meanings rather than a fixed script for companies to produce fixed effects.

### **5.2.3 The importance of a dialogue with a company and the choice of channels**

The special sector on a company's website was also chosen as the most preferred CSR channel by 67% of those respondents, who felt that it was important for them to be able to participate in a dialogue with a company concerning CSR issues. On the contrary, those who thought that it was not important chose product packaging and labels together with third parties as the most preferred CSR channel – both options were chosen by 67% of the respondents. While corporate websites provide at least theoretical possibility of a two-way communication, this is usually not the case with product packaging and labels. Third parties in this case also do not help much for the participating in a dialogue with a company. **Therefore, an assumption can be made that the perceived importance of being able to participate in a dialogue with a company concerning CSR issues to a certain degree influence the choice of preferred channels for receiving CSR information.** However, for example, blogs, which according to Fieseler, Fleck and Meckel (2010) provide the possibility for authentic and credible microdialogues with stakeholders, were not highly evaluated by the group of Millennials in favor of a dialogue with a company. It can be the case that blogs are mainly considered to be personal diaries and their use in corporate world is a new thing and its value therefore is 'largely unproven' (Huang et al, 2007, p. 472).

Interestingly, the respondents who indicated the perceived importance of the ability to contribute to a company's CSR initiatives by donating money, etc., mostly preferred communication channels such as the special sector on a company's website (64%), product packaging and labels (45%) and third parties (37.5%). **Therefore, for companies engaging in cause related marketing these should be the primary channels to communicate their initiatives to consumers, in this particular case Millennials.**

### **5.2.4 Undesired CSR communication channels**

The least preferred channel among the respondents was corporate advertising (40%). It is not surprising as consumers are generally skeptical towards advertising (Pomeroy & Dolnicar, 2009) and especially CSR advertising can increase consumer skepticism (Bhattacharya & Sen, 2003). On the other hand, 60% of the respondents, which is quite a high index, did not perceive it as the least preferred channel for receiving CSR information. Following the discussion in Farris, Chong and Dunning (2002), it can be assumed that Millennials are indeed not so cynical about advertising as their predecessors. However, traditional



advertising strategies are claimed to be ineffective on Millennials, who are said more likely to respond to advertising based on irony and humor (Syrett & Lammimam, 2004).

Another CSR communication channel indicated by some researchers as credible was company's employees. However, the results of this research show that company's employees are, in fact, one of the least trusted and preferred CSR information sources as indicated by 37% of the respondents. This result seems to be in contradiction to Du, Bhattacharya and Sen (2010), who argue that companies should find a way to convert their employees into companies' CSR advocates. The skepticism towards CSR information received from the company's employees may be explained by persuasion knowledge, which has been already discussed in this section in relation with other results. An assumption can be made that **consumers suspect the company's employees to be biased and concerned about selling something to them, thus, they are not perceived to be a credible source about company's CSR efforts.**

Despite the fact that voluntary CSR reports have become the main instrument for companies to communicate their CSR engagement (Juščius & Snieska, 2008), the results of this research show that the actual consumer preference for CSR reports as CSR information source is relatively low. Only 23% of the respondents chose CSR reports as the most preferable channel. The result is in accordance to Schlegelmilch and Pollach (2005), who also claim that CSR reports are rarely read by consumers and therefore their effectiveness for CSR communication is reduced. Furthermore, it can be assumed that the content of CSR reports in many cases is not adapted to consumers and does not meet their information needs as the initial target of CSR reports is investors and shareholders. In fact, CSR reports were chosen as the second preferred CSR information channel only by one group of the respondents, namely those, who have been seeking for CSR information for professional purposes (studies or work). 47% of respondents in this group chose this option. **It supports the previously raised idea about CSR reports being primarily targeted to other stakeholders than ordinary consumers.**

Less than one third of the respondents (24%) indicated that they would not mind being informed about CSR through any of the channels. This result adds to a discussion in Abram and Luther (2004) about Millennials seeing little difference in credibility between various media formats.

### **5.2.5 A short summary of the analysis of the most preferred CSR communication channels**

To conclude the analysis of the most preferred CSR communication channels among Millennials in Sweden, it is important to notice, that although most of the respondents use the Internet as the primary tool in searching for information, their preferred channels for CSR information included only one Internet-based channel, namely the special sector on a

company's website. The second and third options were product packaging with labels and formal third parties respectively. Thus, following the discussion in Dawkins (2004), **although the Internet is an important medium for disseminating CSR messages, companies should also consider creative use of offline information channels such as product packaging and labels.** Additionally, different subgroups of the respondents who had different preferences towards CSR information channels support the importance of a strategically used media mix in order to effectively communicate CSR, as suggested by Schlegelmilch and Pollach (2005).

## 6 CONCLUSIONS

*In this section the answer to the research question is presented. Furthermore, the contributions and limitations of the research are discussed and some suggestions for future research are given.*

### 6.1 The answer to the research question

The research question of this thesis was ‘how should companies communicate their CSR engagement to Millennials in Sweden in the most appropriate way?’

In order to answer this question a quantitative research was carried out. A total number of 111 Millennials participated in the survey and filled in a web-based questionnaire. After analyzing their answers in relation to theoretical background, presented in Chapter 2, the research question could be answered.

Results of the research indicate that CSR communication is indeed a delicate and challenging task for companies. It was found that although the vast majority of respondents expected companies to be socially responsible, not everybody wanted to be informed about their CSR practices. It is therefore a challenge for the companies in Sweden to find the appropriate ways to communicate to the consumers something that they do not necessarily want to know. Moreover, even those who wanted to be informed about CSR did not have a clear picture of CSR communication practices in Sweden. The suggestion therefore can be made for Swedish companies to focus on increasing consumer awareness about their CSR initiatives.

This can be made by reassuring consistency, truthfulness, authenticity, representativeness and transparency of CSR communication, adapting the content of CSR messages to consumers’ informational needs, providing consumers with a balanced view of the company’s CSR engagement, i.e. informing them about CSR achievements as well as setbacks. Moreover, companies have to be willing to engage in a dialogue with the consumers and provide them with possibilities to do that, e.g. on the corporate website or blog. In addition, companies should not be afraid to acknowledge business interests in their CSR engagement as it has been found that most of consumers know that companies use CSR as public relation vehicle in order to create a positive corporate image. However, at the same time they should stress the benefits for the society and environment, because, as one of the respondents said, ‘Companies often have a lot so they can tribute a lot’.

It has been also found that general consumer skepticism towards CSR influence the choice of preferred CSR information channels and only consumers with low level of skepticism may prefer broad CSR communication, e.g. using media coverage. Therefore companies in Sweden should think strategically about the breadth of their CSR communication and choose appropriate communication channels accordingly. On the other hand, they should not limit

themselves to CSR reports or corporate websites and should try to experiment with other channels as two thirds of the respondents expected a company to communicate its CSR engagement broadly.

According to the results, the most preferred channels for receiving CSR information were the special sector on a company's website, the product packaging and labels and formal third parties such as certification agencies and NGOs. Therefore it is very important for companies in Sweden to focus on their CSR communication on the corporate websites. However, together with the advantages of the Internet, the creative use of offline information mediums such as product packaging and labels should be considered as well for disseminating CSR messages.

Companies should also benefit from a third party verification of their CSR claims as it enhances the perceived credibility of CSR communication in the eyes of consumers. As the official external audits and certification procedures are usually expensive, companies in Sweden could benefit from more creative ways of including third parties in their CSR communication, e.g. through forming a partnership with an organization that is well known for its CSR reputation. Especially companies operating in so called sin industries could benefit from partnerships with certain state bodies or experts.

According to the results, cause related marketing could be a good strategy for companies in Sweden to include consumers into their CSR initiatives and at the same time raise their awareness of the company's CSR profile as many respondents felt it was important for them to be able to contribute to a company's CSR initiatives. Companies could also implement educational aspects in their CSR communication, e.g. providing consumers with a wider context for the CSR issues that the company is addressing. However, they should address only those CSR issues that are seen to fit with their core business. Otherwise, consumer skepticism may increase, because the company's motives to address CSR issues that are not relevant to its core business could seem suspicious.

The results of this research could be compared with some other similar researches. However, as no research concerning CSR and Millennials has been done in Sweden, the comparison is credible just to some extent. For example, in the national surveys made 2005 in Denmark, Norway and Sweden (see Morsing & Schultz, 2006), it has been found that half of the Swedish respondents (47%) thought that companies should communicate about their CSR efforts broadly whereas the other half (46%) thought it should be done minimally. This is very similar result of what has been found in this research as well.

## **6.2 Contributions and limitations of the research**

This research can be seen as contributing to CSR communication area by providing a picture of the most appropriate ways for companies to communicate their CSR engagement to

Millennials in Sweden. It acknowledges and analyzes influences of Scandinavian mentality on consumers' expectations towards CSR communication, measures the overall skepticism towards CSR messages and identifies the most preferred channels for receiving CSR information. The results of the research should be particularly valuable for companies, operating in Sweden and communicating their CSR engagement to consumers.

Some of the results of the research raised more questions which could be answered only by making a qualitative research. Therefore, the quantitative method alone used in this research can be seen as a weakness to some degree. Although open questions and the possibility to leave comments provided some qualitative data and made it possible to get deeper insights into the subject, most of the respondents did not provide any comments. Therefore there is a risk that the opinions presented do not necessarily reflect the dominating opinion among Millennials.

### **6.3 Suggestions for future research**

As the results concerning consumers' level of skepticism towards CSR information were to some degree ambiguous, future research could focus on analyzing what factors influence consumer skepticism towards CSR communication and how companies might overcome this problem. Moreover, the findings of this research could be cross-examined using qualitative research methods.

In addition, some more research is needed in relation to blogs as CSR communication channel. There is a discrepancy between blog's theoretical suitability for CSR issues and its actual preference as a CSR communication channel among Millennials.

Moreover, future research could concentrate more on the characteristics of Millennials and compare Millennials in Sweden with Millennials in other countries. The findings of this research made with Millennials are very similar with some other surveys where other population samples were used. Therefore it would be useful to investigate if Millennials in Sweden are so extraordinary generation as Millennials in America are claimed to be.

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## APPENDIX A: 'THE QUESTIONNAIRE'

1. In your opinion, do companies have an obligation to contribute to better society/environment?

- ☒ Yes
- ☐ No
- ☐ I don't have an opinion

2. Which statement best reflects your opinion?

- ☐ It is up to companies to decide which CSR issues to address in their corporate policy.
- ☐ It is up to country's formal and informal institutions to assign agreed responsibility for society's issues to corporations.
- ☐ Other (indicate)

3. To which degree should companies communicate about their social responsibility to consumers?

- ☒ They shouldn't communicate about it at all.
- ☐ They should inform about it minimally, for example, using CSR reports and company's websites.
- ☐ They should communicate about it widely, it's important for consumers to know (media coverage, corporate advertising, etc).
- ☐ Other (indicate)

4. You think in Sweden companies communicate about their SCR initiatives:

- ☐ Too little
- ☐ Too much
- ☐ Just enough
- ☐ Don't know
- ☐ Other (indicate)

5. Have you intentionally sought information about company's CSR initiatives at least once during last 12 months?

- ☐ Yes, for professional purposes (for studies, work, etc.)
- ☐ Yes, for personal purposes
- ☐ No

6. Indicate how much you agree or disagree with the following statements:

	Totally agree	Agree	Disagree	Totally disagree	Don't have an opinion
When I need to find various information I mostly use Internet.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would like to get more information about companies' CSR initiatives in Sweden.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**I tend to trust more what others say about the company than what the company says about itself.**

☐ ☐ ☐ ☐ ☐

**In general, I tend to trust CSR information provided by companies.**

☐ ☐ ☐ ☐ ☐

**I tend to be skeptical towards information that I receive about companies' good deeds despite where I get that information from.**

☐ ☐ ☐ ☐ ☐

**7. In which of the below mentioned ways you would prefer to be informed about particular company's CSR efforts? Choose 1 up to 3 most preferred options:**

- ☐ Special sector on company's website
- ☐ Company's blog
- ☐ Company's CSR reports
- ☐ Product packaging and labels
- ☐ Company's newsletter
- ☐ Advertising (TV and radio ads, ads on the Internet, etc.)
- ☐ Media coverage (articles in the press and online, specialized magazines)
- ☐ Formal third parties (certification agencies, (non)governmental institutions)
- ☐ Company's employees (salespeople, etc.)
- ☐ People you know
- ☐ Other websites, independent blogs, forums
- ☐ Various company initiated campaigns (cause support, etc.) on Facebook or other social networking sites
- ☐ I would not want to be informed at all
- ☐ Other (indicate)

**8. From the same list choose 1 up to 3 ways in which you absolutely would not want to be informed about particular company's CSR efforts:**

- ☐ Special sector on company's website
- ☐ Company's blog
- ☐ Company's CSR reports
- ☐ Product packaging and labels
- ☐ Company's newsletter
- ☐ Advertising (TV and radio ads, ads on the Internet, etc.)
- ☐ Media coverage (articles in the press and online, specialized magazines)
- ☐ Formal third parties (certification agencies, (non)governmental institutions)



- ☐ Company's employees (salespeople, etc.)
- ☐ People you know
- ☐ Other websites, independent blogs, forums
- ☐ Various company initiated campaigns (cause support, etc.) on Facebook or other social networking sites
- ☐ I don't mind being informed in any of these ways
- ☐ Other (indicate)

**9. Evaluate the following criteria of CSR information according to how important it is to you that...:**

	Very important	Somewhat important	Neither important nor unimportant	Not important
Company's CSR claims would be supported and confirmed by third party (certification agencies, (non)governmental institutions, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You would have a possibility to participate in company's CSR efforts (by donating money, buying special products)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company would be willing to hear your opinion about their CSR efforts (on their website, social networking sites, etc.) and you could participate in a dialogue with the company.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company would address a CSR issue which is related to company's core business (e.g. food manufacturer addressing hunger problem).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**10. How old are you?**

**11. You are:**

- ☐ Male
- ☐ Female

**12. Your level of education:**

- ☐ Secondary education (high school, gymnasium)
- ☐ Higher education (college, university)
- ☐ Other (indicate)

**13. How long have you been living in Sweden:**

- ☐ More or less all my life
- ☐ Less than 1 year
- ☐ 1-5 years

☐ More than 5 years

**14. Please indicate the level of your Swedish language skills:**

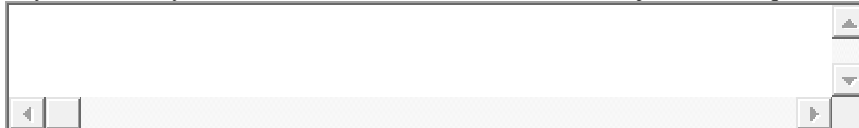
☐ Native speaker

☐ Good knowledge

☐ Basic knowledge

☐ I understand only few words

If you have any further comments in relation to the subject or the questionnaire, please write them below:

A large rectangular text input area with a thin border. On the right side, there is a vertical scroll bar with up and down arrows. At the bottom, there is a horizontal scroll bar with left and right arrows.

## APPENDIX B: TABLES AND GRAPHS

Age	Frequency	Percent
19	1	.9
20	2	1.8
21	5	4.5
22	2	1.8
23	7	6.3
24	15	13.5
25	18	16.2
26	18	16.2
27	17	15.3
28	8	7.2
29	6	5.4
30	12	10.8
Total	111	100.0

Table 2: Age distribution of the respondents

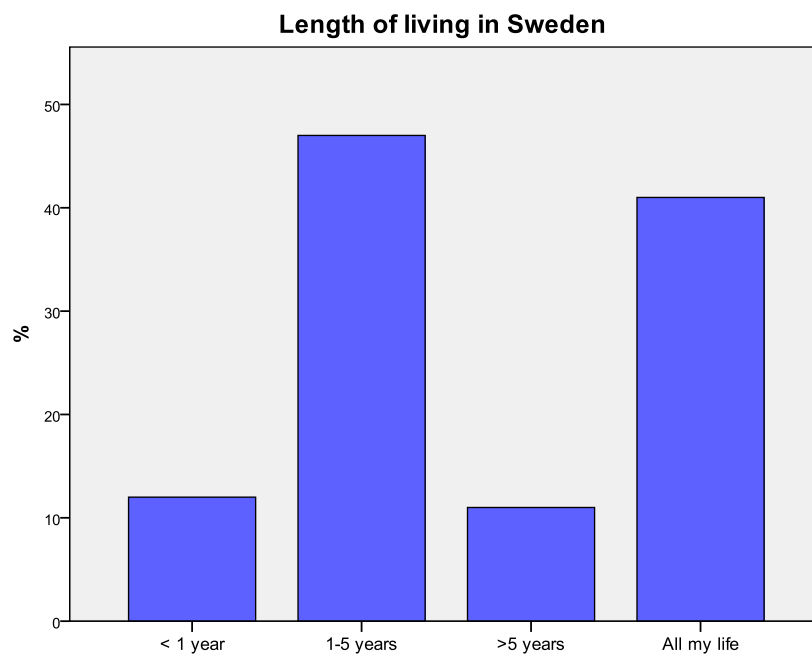
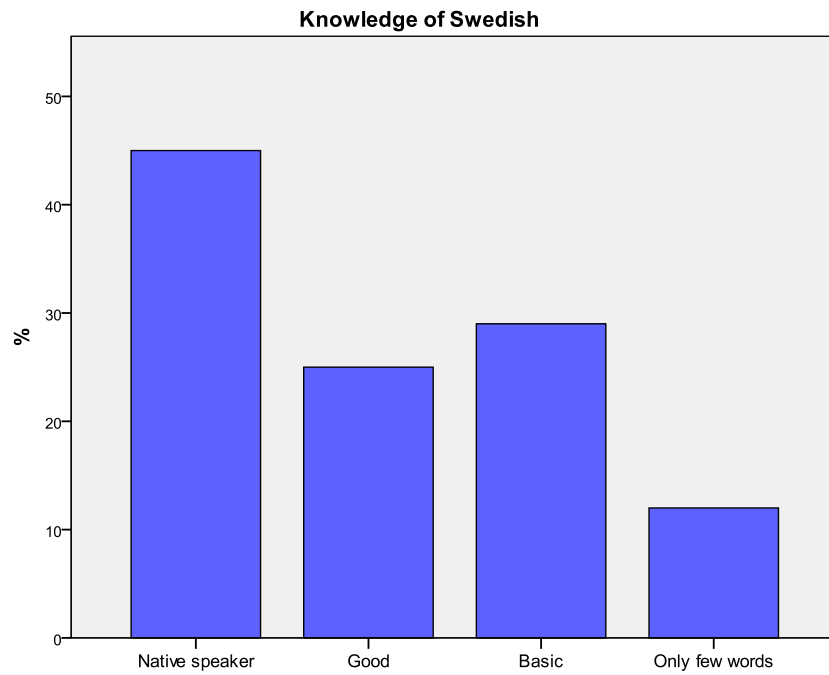
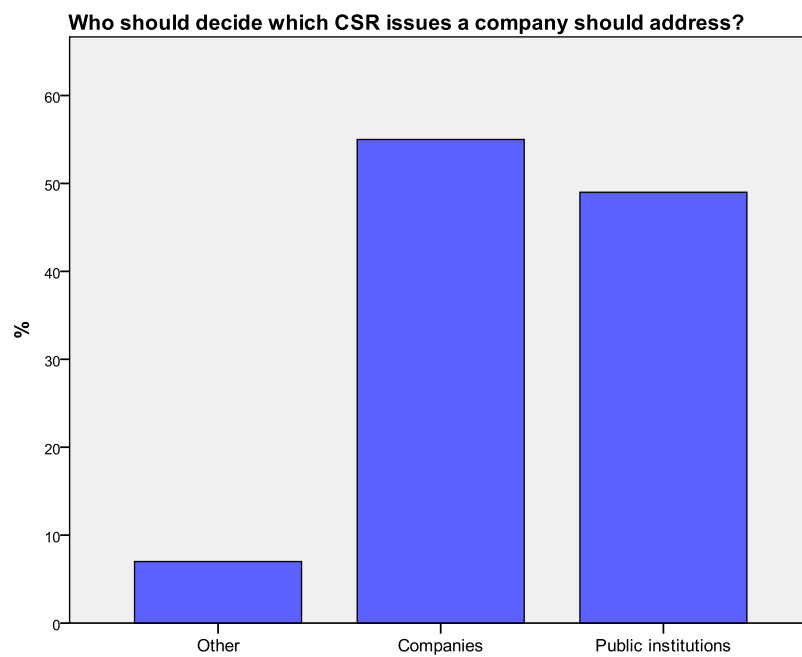


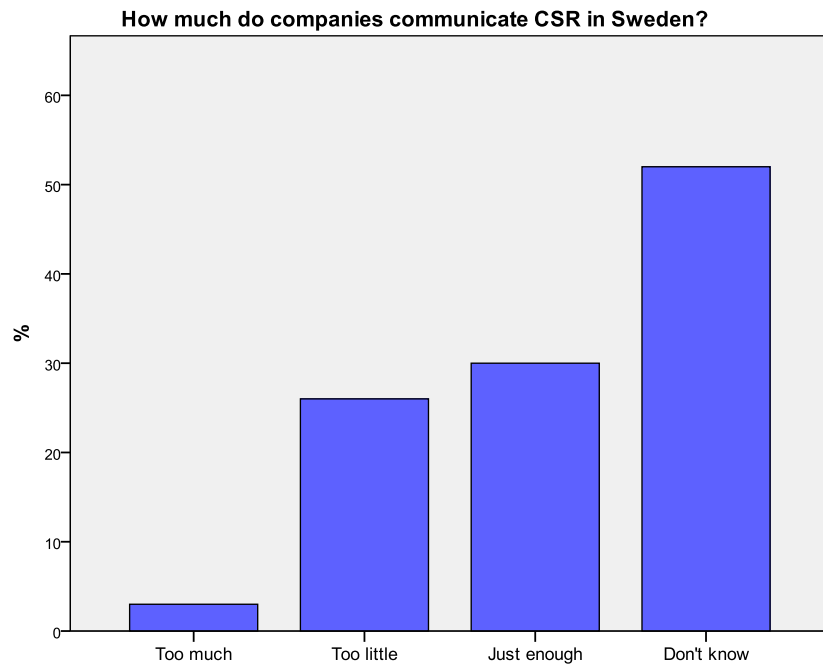
Figure 8: Length of living in Sweden



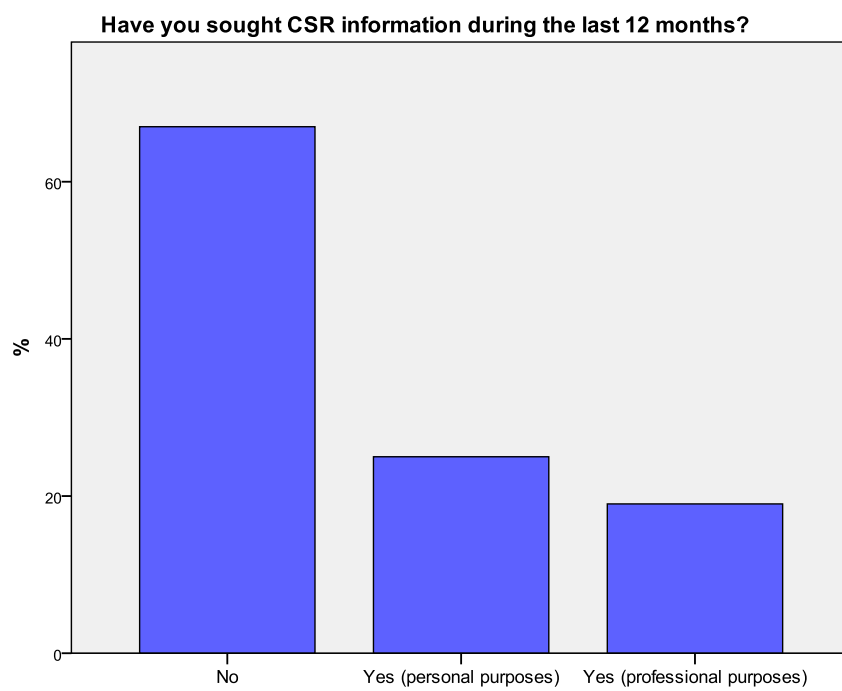
**Figure 9: Respondents' knowledge of Swedish**



**Figure 10: Responsibility to decide on CSR issues to address**

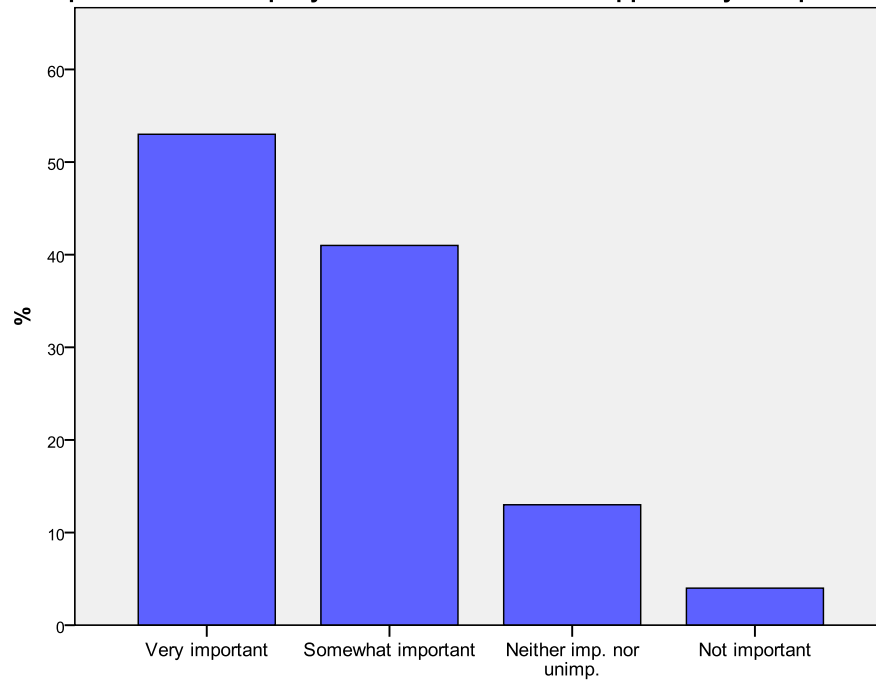


**Figure 11: Opinion about CSR communication in Sweden**



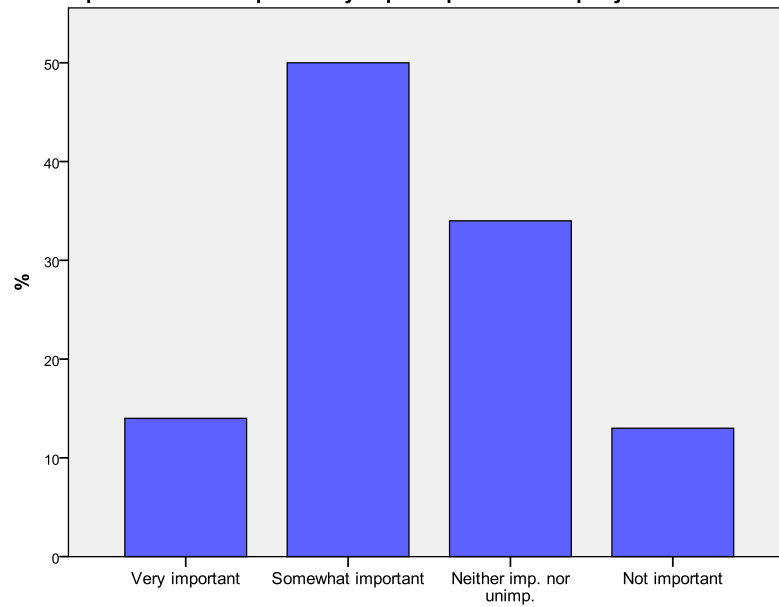
**Figure 12: Intentional search for CSR information**

**Is it important that a company's CSR claims would be supported by third parties?**

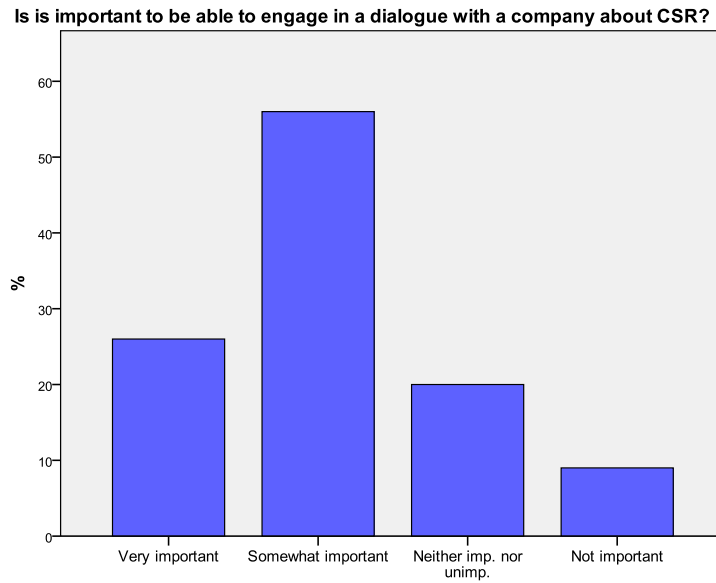


**Figure 13: Importance of a third party's confirmation of CSR messages**

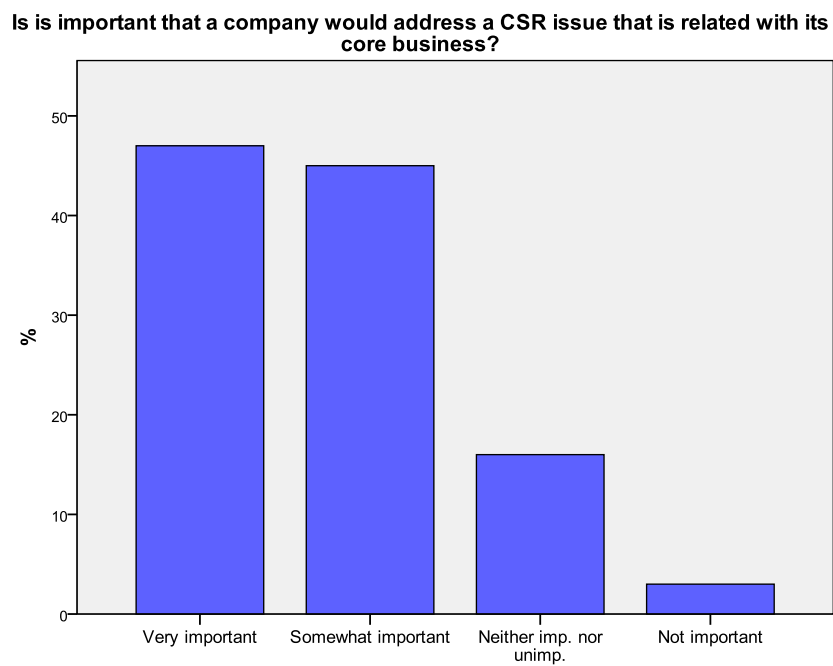
**Is it important to have a possibility to participate in a company's CSR efforts?**



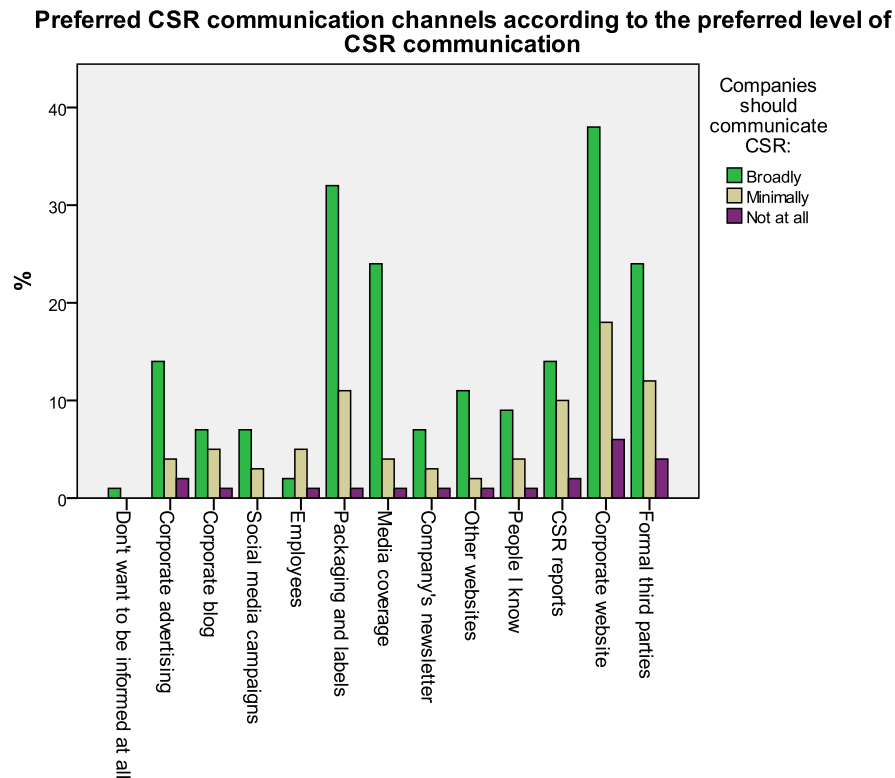
**Figure 14: Importance of participation in a company's CSR efforts**



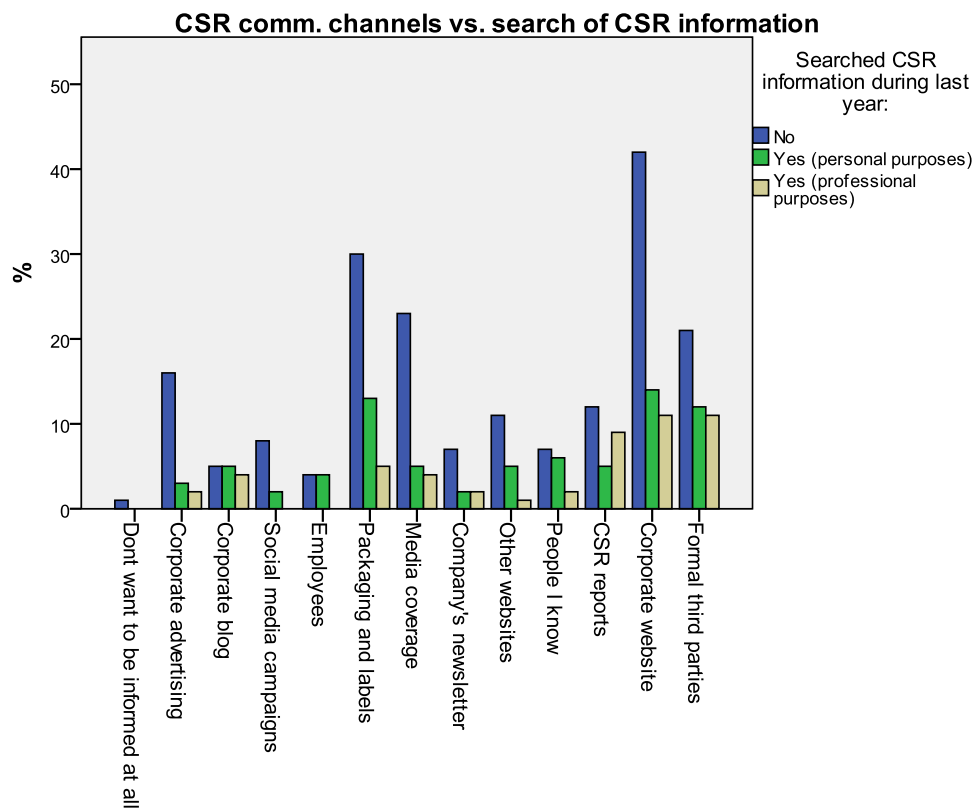
**Figure 15: Importance of the dialogue with a company**



**Figure 16: Importance of the congruence between CSR issue and business nature**

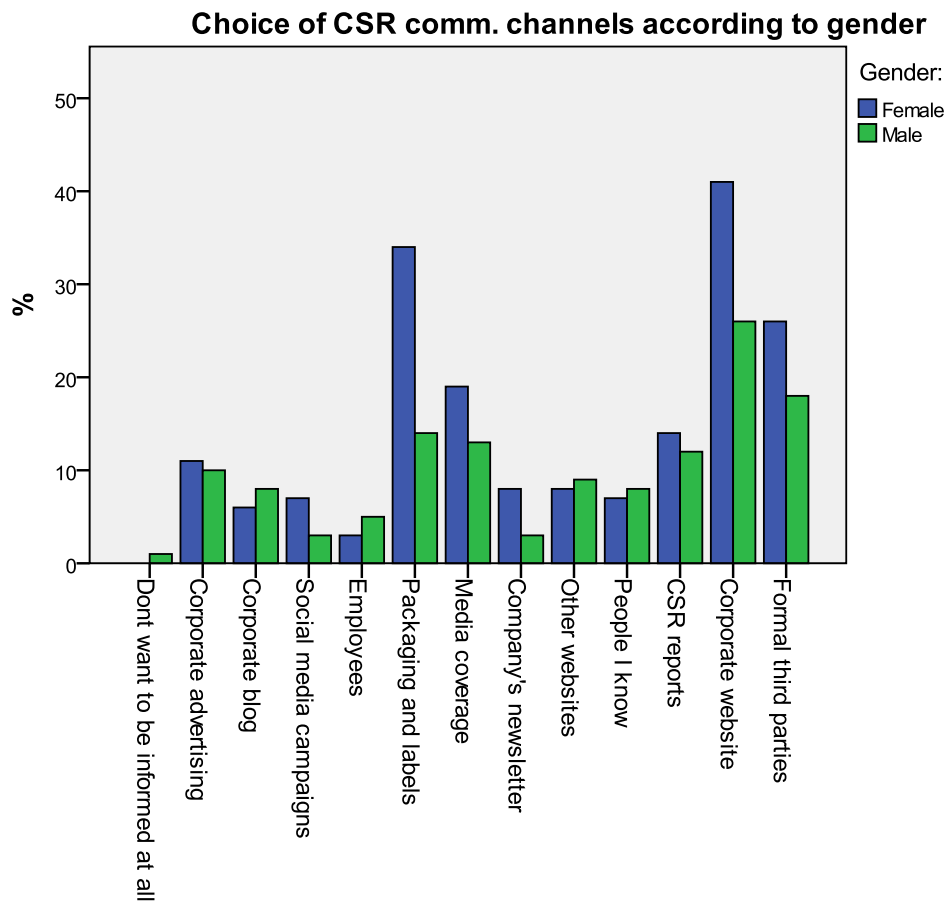


**Figure 17: Preferred CSR communication channels according to the preferred degree of CSR comm.**



**Figure 18: Preferred CSR communication channels according to the search of CSR information**





**Figure 19: The choice of CSR communication channels according to a gender**